ENI ANNOUNCES RESULTS FOR THE SECOND QUARTER AND THE FIRST HALF OF 2009

San Donato Milanese, July 31, 2009 – Eni, the international oil and gas company, today announces its group results for the second quarter of 2009 (unaudited).

Financial Highlights

- **Adjusted net profit: down 60% to €0.90 billion for the second quarter and down 49.8% to €2.66 billion for the first half of 2009**
- **Net profit: down 75.8% to €0.83 billion for the second quarter and down 59.5% to €2.74 billion for the first half of 2009**
- **Cash flow: €2.18 billion for the second quarter (€7.62 billion for the first half of 2009)**
- **Interim dividend proposal of €0.50 per share or $1.42 per ADR[1]**

Operational Highlights

- **Oil and natural gas production for the second quarter: down 2.2% to 1.733 million barrels per day (down by 1.6% for the first half of 2009)**
- **Natural gas sales for the second quarter: down 7.7% to 20.46 billion cubic metres (down by 0.5% for the first half of 2009)**
- **Further development of our E&P portfolio especially in Africa and North America**
- **Consolidated relationship with Gazprom with progress on three major strategic partnerships**
- **Concluded purchase of Distrigas, cementing Eni's position as a leader in European gas**
- **Launched divestment of marginal upstream assets in line with stated strategy**

Paolo Scaroni, Chief Executive Officer, commented:
"In the first six months of this year we have strengthened our position in our core areas and achieved sound financial results in the context of sharply lower commodity prices and demand. Eni's business portfolio proved to be resilient thanks in particular to the steady performance of the Gas & Power division. We are taking a prudent approach to the outlook for 2009 and beyond which is reflected in our proposed interim dividend of €0.50 per share, which we believe to be appropriate in the current environment."

The Board has also approved the interim report as of June 30, 2009, which has been released to the public together with this press release. The Company's independent auditor is in the process of reviewing the consolidated interim accounts. The independent auditors' report is expected to be released to the public early in August 2009 upon completion of relevant audits.

(1) As converted at the Noon Buying Rate of 1 EUR = 1.4213 USD taken from the US Federal Reserve Statistical Release on July 24, 2009.

Financial highlights

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08	SUMMARY GROUP RESULTS (€ million)	First Half 2008	First Half 2009	% Ch.
5,793	3,967	2,405	(58.5)	Operating profit	11,970	6,372	(46.8)
5,575	3,754	2,549	(54.3)	Adjusted operating profit [a]	11,471	6,303	(45.1)
3,437	**1,904**	**832**	(75.8)	**Net profit** [b]	**6,758**	**2,736**	**(59.5)**
0.94	0.53	0.23	(75.5)	- per ordinary share (€) [c]	1.85	0.76	(58.9)
2.94	1.38	0.63	(78.6)	- per ADR ($) [c] [d]	5.66	2.02	(64.3)
2,255	**1,759**	**902**	(60.0)	**Adjusted net profit** [a] [b]	**5,296**	**2,661**	**(49.8)**
0.62	0.49	0.25	(59.7)	- per ordinary share (€) [c]	1.45	0.73	(49.7)
1.94	1.28	0.68	(64.9)	- per ADR ($) [c] [d]	4.44	1.94	(56.3)

(a) For a detailed explanation of adjusted operating profit and net profit see page 25.
(b) Profit attributable to Eni shareholders.
(c) Fully diluted. Dollar amounts are converted on the basis of the average EUR/USD exchange rate quoted by the ECB for the periods presented.
(d) One ADR (American Depositary Receipt) is equal to two Eni ordinary shares.

Adjusted Operating Profit

Adjusted operating profit for the quarter was €2.55 billion, down 54.3% from the second quarter of 2008. For the first half, adjusted operating profit was €6.30 billion, down 45.1% from a year ago. These results were principally due to the weaker operating result reported by the Exploration & Production division which was impacted by sharply lower oil and gas prices. Also the downstream oil business posted significantly lower operating results due to unprofitable refining margins. On the plus side, the Gas & Power division reported improved results in the quarter and the Engineering & Construction business reported improved results in both periods.

Adjusted Net Profit

Adjusted net profit for the quarter was €0.90 billion, down 60% and for the first half was €2.66 billion, down 49.8%. These results were mainly the result of a weaker operating environment and lower results reported by equity-accounted entities, partly offset by a lower adjusted tax rate (down 1.1 percentage point in the quarter; down 0.4 percentage point in the first half).

Capital Expenditure

Capital expenditure was €3,697 million for the quarter and €6,844 million for the first half mainly related to continuing development of oil and gas reserves, the construction of rigs and offshore vessels in the Engineering & Construction division and the upgrading of gas transportation infrastructure.

Cash

The main sources of cash for the quarter were: (i) net cash generated by operating activities amounting to €2,178 million; (ii) the divestment of a 20% interest in Gazprom Neft based on the call option agreement with Gazprom which yielded cash consideration of €3,070 million; and (iii) a share capital increase (€1,542 million) that was subscribed to by Snam Rete Gas minorities as part of the reorganization process of Eni's regulated gas businesses in Italy. These inflows were used to fund the financing requirements associated with capital expenditure (€3,697 million), the payment of the balance dividend for the fiscal year 2008 (€2,355 million) to Eni shareholders and the completion of the Distrigas acquisition by means of a mandatory cash tender offer on its minorities amounting to €2,045 million, increasing net borrowings[2] as of June 30, 2009 by €1,827 million from March 31, 2009.

For the half year, net cash generated by operating activities amounted to €7,621 million. This, combined with proceeds from disposals (€3,275 million) and a share capital increase (€1,542 million) subscribed to by the Snam Rete Gas minorities, was used to fund the financing requirements associated with capital expenditure (€6,844 million), the payment of the remaining dividend for the fiscal year 2008 (€2,355 million) and the completion of the Distrigas acquisition (€2,045 million). At June 30, 2009 net borrowings amounted to €18,355 million almost unchanged (€18,376 million at December 31, 2008).

(2) Information on net borrowings composition is furnished on page 35.

Financial Ratios
Return on Average Capital Employed (ROACE)[3] calculated on an adjusted basis for the twelve-month period to June 30, 2009 was 13% (19.7% at June 30, 2008).
The ratio of net borrowings to shareholders' equity including minority interest – leverage[3] – decreased to 0.37 at June 30, 2009 from 0.38 as of December 31, 2008.

Interim Dividend 2009
In light of the financial results achieved for the first half of 2009 and the projected full-year results, the interim dividend proposal to the Board of Directors on September 10, 2009 will amount to €0.50 per share (€0.65 per share in 2008). The interim dividend is payable on September 24, 2009 to shareholders on the register on September 21, 2009.

Operational highlights and trading environment

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08	KEY STATISTICS		First Half 2008	First Half 2009	% Ch.
1,772	**1,779**	**1,733**	**(2.2)**	**Production of hydrocarbons**	(kboe/d)	**1,784**	**1,756**	**(1.6)**
998	1,013	986	(1.2)	- Liquids	(kbbl/d)	1,005	1,000	(0.5)
4,442	4,398	4,290	(4.0)	- Natural gas	(mmcf/d)	4,472	4,344	(3.1)
22.16	**32.35**	**20.46**	**(7.7)**	**Worldwide gas sales**	(bcm)	**53.07**	**52.81**	**(0.5)**
1.48	*1.49*	*1.46*	*(1.4)*	*- of which: E&P sales*		*3.32*	*2.95*	*(11.1)*
7.21	**7.78**	**7.57**	**5.0**	**Electricity sold**	(TWh)	**15.37**	**15.35**	**(0.1)**
3.00	**2.79**	**3.07**	**2.3**	**Retail sales of refined products in Europe**	(mmtonnes)	**5.85**	**5.86**	**0.2**

Exploration & Production
Oil and natural gas production for the second quarter 2009 amounted to 1,733 kboe/d, representing a decrease of 2.2% from the second quarter of 2008. For the half, oil and natural gas production amounted to 1,756 kboe/d, representing a decrease of 1.6% from the first half of 2008. These declines were mainly due to OPEC production cuts (down approximately 30 kboe/d), continuing security issues in West Africa, lower production uplifts associated with weak European gas demand and mature field declines. Those negatives were partially offset by continuing production ramp-up in Angola, Congo, USA, Kazakhstan and Venezuela, and the positive price impacts reported in the Company's PSAs (up approximately 60 kboe/d).

Gas & Power
Eni's worldwide natural gas sales were 20.46 bcm in the quarter, down 7.7% from a year ago, and were 52.81 bcm for the half, down 0.5%. This reflected weaker European gas demand as a result of the economic downturn. Italian gas consumption recorded a steep decline (down 3.71 bcm for the quarter) as the major gas-consuming sectors of thermoelectric utilities and industrial businesses used 45% and 20% less gas respectively in the quarter (45% and 21% in the first half) as compared to the same quarter in the previous year. The negative impact of the economic downturn was partly offset by the contribution of Distrigas (up 2.67 bcm in the quarter and up 8.53 bcm in the half).

Realized Oil and Gas Prices
Oil realizations declined by 48.2% in the quarter and by 49.5% in the half driven by falling Brent prices. Recorded natural gas realizations were down by 35.4% in the quarter and by 16.9% in the half as the pace of decline reflected the time lag between movements in oil prices and their effect on gas prices provided in pricing formulae.

(3) Non-GAAP financial measures disclosed throughout this press release are accompanied by explanatory notes and tables to help investors to gain a full understanding of said measures in line with guidance provided for by CESR Recommendation No. 2005-178b. See pages 35 and 37 for leverage and ROACE, respectively.

Refining & Marketing

Eni's realized refining margins in dollar terms were sharply lower in both the quarter and the half due to a number of negative market trends. First of all, significantly compressed light-heavy crude differentials due to a reduction in heavy crude supplies from OPEC negatively affected the profitability of Eni's complex refineries. Secondly, the Company's refining operations have experienced rapid increases in feedstock costs in recent months which have not been fully recovered in the final prices of refined products due to weak industry fundamentals; prices of middle distillates were particularly impacted. Eni's margin performance was in line with the industry benchmark margin calculated on the Brent crude (down 55.1% in the second quarter and down 24.6% in the first half) due to the compressed light-heavy crude differentials on the negative side, and the appreciation of Eni's yields due to the relatively higher weight of the fuel oil on the plus side.

Currency

Results of operations for both periods were helped by the depreciation of the euro vs. the US dollar, down by 12.8% from the second quarter 2008 and 12.9% over the first half of the year.

Strategic developments

The half year has seen significant progress on a number of fronts, in particular in delivering progress on our stated strategy in Exploration & Production and Gas & Power. Of particular note and developments in Russia, Africa, and in our European Gas business.

Russia

- Eni and Gazprom have agreed upon a new scope of work in the development project of the South Stream pipeline, aimed at increasing its transport capacity from an original amount of 31 billion cubic meters per year to 63 billion cubic meters, as part of a framework agreement signed between Italy and Russia on May 15, 2009. Eni and Gazprom confirmed their full commitment to developing the project which conditioned to the positive outcome of the feasibility study will build a new route to supply Russian gas to Europe, increasing both security and diversification of gas sources to Europe.
- On May 15, 2009, Eni and its Italian partner Enel in the 60-40% owned joint-venture OOO SeverEnergia signed a preliminary agreement with Gazprom regarding a call option arrangement on a 51% interest in the venture. OOO SeverEnergia is the parent company of three Russian upstream companies which are presently engaging in exploration and development activities of gas reserves in the Yamal Nenets region, in Siberia. On June 5, 2009, the parties signed the relevant binding agreement. Total cash consideration from this transaction is anticipated to amount to $1.5 billion (Eni's share being $900 million) and will be paid by Gazprom in two tranches: (i) the first one is due on the transfer of the shares and is expected to occur in the third quarter of 2009 with the transaction effective from the same date; (ii) the second tranche is due by end of the first quarter of 2010. As a result of the transaction, Eni's interest in OOO SeverEnergia will be equal to 29.4%. Eni's proved reserves of hydrocarbon at 2009 year-end will be determined based on this interest. The parties also agreed to move forward with the development plan of the Samburskoye field, targeting to achieve first gas by June 2011 and to ramp production up to a plateau of 150,000 boe/d within two years. In the next 90 days, the parties will define a plan to obtain all the authorizations, including the extensions of the mineral licences by the Russian authority regulating the exploitation of the country's mineral resources. A number of amendments granting licence extension have been already obtained.
- On April 7, 2009 Gazprom exercised its call option to purchase a 20% interest in OAO Gazprom Neft held by Eni based on the existing agreements between the two partners. Total cash consideration amounting to €3,070 million (US$4.06 billion, increasing to approximately €3.16 billion or US$ 4.2 billion when including the 2008 dividend) was paid by Gazprom on April 24, 2009. The 20% interest in Gazprom Neft was acquired by Eni on April 4, 2007 as part of a bid procedure for the assets of bankrupt Russian company Yukos.
  The exercise price of the call option is equal to the bid price (US$3.7 billion) as adjusted by subtracting dividends distributed and adding the contractual yearly remuneration of 9.4% on the capital employed and financing collateral expenses. At the same time, Eni and Gazprom signed new cooperation agreements targeting certain development projects to be conducted jointly in Russia and other countries of interest.

Africa

- On May 12, 2009 Eni and Egypt's Ministry of Petroleum signed a cooperation agreement to develop new hydrocarbon plays. Eni intends to adopt its comprehensive cooperation model in pursuing new ventures whereby the traditional oil business is integrated by activities aimed at satisfying the energy needs of host countries and supporting them in reaching high standards of social and economic development.
- On February 9, 2009 Eni signed three agreements as part of the Memorandum of Understanding signed in August 2008 with Angola's state oil company Sonangol. These agreements provide for: (i) a feasibility study to assess the economics of the utilization of associated gas in feeding a grass-root onshore power plant; (ii) a joint study to evaluate and collect data on certain Angolan onshore basins in view of identifying possible upstream opportunities; (iii) the design of a number of educational and training projects targeting Angolan professionals in the field of the development of energy resources.

European Gas

- On March 19, 2009, the mandatory tender offer on the minorities of Distrigas was finalized. Shareholders representing 41.617% of the share capital of Distrigas, including the second larger shareholder Publigaz SCRL with a 31.25% interest, tendered their shares. The squeeze-out of the residual 1.14% of the share capital was finalized on May 4, 2009. Finally, Distrigas shares have been delisted from Euronext Brussels. The total cash consideration amounting to €2,045 million was determined based on the same price paid to Distrigas main shareholder, Suez, on October 2008 to acquire the controlling stake of 57.243%. As of June 30, 2009, Eni owns the entire share capital of Distrigas, except for one share with special powers owned by the Belgian State.

Other developments: gas developments in USA, marginal oil&gas assets divestment, Pakistan, exploration success and award of new exploratory acreage

- On May 18, 2009 Eni signed a strategic alliance with Quicksilver Resources Inc., an independent US natural producer of gas from shale accumulations. Based on the terms of the agreement, Eni will acquire a 27.5% interest in the Alliance area, in Northern Texas, covering approximately 53 square kilometres, with gas shale reserves at an average depth of 2,300 meters. Quicksilver will retain the 72.5% of the interests and operatorship of the alliance properties.
  This transaction, effective April 1, 2009, was finalised on June 19, 2009, for cash consideration amounting to \$280 million. The expected production from the acquired assets will amount to 4,000 boe/d net to Eni for the full year 2009, ramping up to approximately 10,000 boe/d by 2011.
- Eni launched a plan to divest certain marginal upstream assets, expected to be finalized by end of the year.
- On March 18, 2009 Eni signed a Protocol for Cooperation with the government of Pakistan to develop a number of important upstream, midstream and downstream projects in the country. Eni will provide its expertise as well as new technologies developed in the field of exploring for and developing hydrocarbon fields.
- Eni continued to achieve exploration success in the Gulf of Mexico, North Sea and offshore Indonesia.
- Eni was awarded operatorship and 40% participating interests in new exploration licenses (PL 533 and PL 529) as well as the 30% interest in the PL 532 license (operated by StatoilHydro) in the Barents Sea.

Reorganization of the regulated business in the Italian gas sector

- On June 30, 2009 the parent company Eni SpA concluded the sale of the entire share capital of its fully-owned subsidiaries Italgas SpA and Stoccaggi Gas Italia SpA to its subsidiary Snam Rete Gas. The transaction, which was approved by the Eni's Board of Directors in February 2009, included cash consideration amounting to €4,509 million (€2,922 million and €1,587 million, respectively). Snam Rete Gas funded the transaction by means of: (i) a share capital increase amounting to €3.5 billion, which was entirely subscribed to by minorities and Eni for their respective shares; and (ii) arranging medium and long-term financing. The main impact expected on Eni's consolidated financial statements are: (i) as of June 30, 2009 a decrease of €1.54 billion was reported in the Group consolidated net borrowings and a corresponding increase in total equity as a consequence of the pro-quota subscription of the Snam Rete Gas capital increase by minorities; (ii) a decrease in Eni's net profit equal to 45% of the aggregate net profit of Italgas and Stogit is expected to be reported in the consolidated profit and loss for the third quarter of 2009, with a corresponding increase in net profit pertaining to minorities.

Outlook

Taking into account the current economic downturn, Eni assumes Brent oil prices of $48 bbl for the full year 2009 and weaker European demand for natural gas and fuels. Key business trends for the year are expected to be the following:

- **Hydrocarbon production**: the Company confirms that its oil and gas production will grow versus last year (1,797 kboe/d in 2008). As stated in April at the Q1, we continue to believe that our guidance of a 2% growth rate for 2009 when excluding the impact of OPEC cuts, is appropriate due to lower than anticipated gas demand, the impact of unplanned facility downtime, particularly in West Africa and rescheduling of certain projects in order to capture the expected downturn in costs. These declines will be offset by new field start-ups and continuing production ramp-up in the Company's core regions, namely the US and Congo;
- **Worldwide natural gas sales**: are forecasted to remain unchanged from 2008 levels (actual sales volumes in 2008 were 104.23 bcm) and the planned growth rate for the year has been revised down due to the continued impact of the economic downturn. Sales volumes will be underpinned by the contribution of the Distrigas acquisition and marketing activities designed to strengthen the market share and customers base in target European markets;
- **Refining throughputs on Eni's account**: are expected to increase slightly from 2008 (actual throughputs in 2008 were 35.84 mmtonnes) reflecting improved performance at certain plants;
- **Retail sales of refined products in Italy and the rest of Europe**: are expected to decrease from 2008 (12.03 mmtonnes in 2008, excluding the impact of the divestment of marketing activities in the Iberian Peninsula that was executed late in 2008) due to weak demand for fuels forecast in the main European markets, whilst it is anticipated that continuing marketing efforts and pricing initiatives on the Italian market will yield positive results in terms of both share and marketed volumes.

In 2009, management expects a slight decrease in capital expenditure versus 2008 (€14.56 billion in 2008). Capital expenditure will be directed mainly to the development of oil and natural gas reserves, the upgrading of construction vessels and rigs, and the upgrading of natural gas transport infrastructure.
Management has taken a number of measures designed to ensure the achievement of a ratio of net borrowings to total equity (leverage) adequate to support the Company's current credit rating, although it may temporarily exceed the level recorded at the end of 2008 (0.38).

Other information

In the second half of the year, developments in certain pending legal proceedings may have a significant impact on the Company's results. Currently, the Company believes that losses from those proceedings are either not probable or not reasonably quantifiable. The above referenced legal proceedings are discussed in Eni's interim consolidated financial statements as of and for the six-month period ended June 30, 2009 under the heading "Guarantees, Commitments and Risks", which is published together with this press release.

This press release has been prepared on a voluntary basis in accordance with the best practices on the marketplace. It provides data and information on the Company's business and financial performance for the second quarter and the first half of 2009 (unaudited). Results of operations for the first half of 2009 and material business trends have been extracted from the interim report 2009 which has been prepared in compliance with article 154-ter of the Italian code for securities and exchanges ("Testo Unico della Finanza" – TUF) and approved by the Company's Board of Directors and released to the public together with this press release. The interim report was transmitted to the Company's Board of statutory auditors as well as to the principal independent auditor as provided by applicable regulations. The Company's independent auditor is in the process of reviewing the consolidated interim accounts. The independent auditors' report is expected to be released to the public early in August 2009 upon completion of relevant audits. Quarterly and semi-annual accounts set forth herein have been prepared in accordance with the evaluation and recognition criteria set by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure set forth in Article 6 of the European Regulation (CE) No. 1606/2002 of the European Parliament and European Council of July 19, 2002.
The evaluation and recognition criteria applied during the preparation of the report for the second quarter and the first half of 2009 are unchanged from those adopted for the preparation of the 2008 Annual Report on form 20-F. From year 2009, the Company accounts gains and losses on non-hedging commodity derivatives instruments, including both fair value re-measurement and settled transactions, as items of operating profit. Prior period results have been restated accordingly.
Results are presented for the second quarter and the first half of 2009 and for the second quarter and the first half of 2008. Information on liquidity and capital resources relates to end of the period as of June 30, 2009, March 31, 2009 and December 31, 2008. Tables contained in this press release are comparable with those presented in the management's disclosure section of the Company's annual report and interim report.
Non-GAAP financial measures and other performance indicators disclosed throughout this press release are accompanied by explanatory notes and tables to help investors to gain a full understanding of said measures in line with guidance provided by recommendation CESR/05-178b.

Eni's Chief Financial Officer, Alessandro Bernini, in his position as manager responsible for the preparation of the Company's financial reports, certifies pursuant to rule 154-bis paragraph 2 of Legislative Decree No. 58/1998, that data and information disclosed in this press release correspond to the Company's evidence and accounting books and entries.

Cautionary statement
This press release, in particular the statements under the section "Outlook", contains certain forward-looking statements particularly those regarding capital expenditures, development and management of oil and gas resources, dividends, share repurchases, allocation of future cash flow from operations, future operating performance, gearing, targets of production and sales growth, new markets, and the progress and timing of projects. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. Actual results may differ from those expressed in such statements, depending on a variety of factors, including the timing of bringing new fields on stream; management's ability in carrying out industrial plans and in succeeding in commercial transactions; future levels of industry product supply; demand and pricing; operational problems; general economic conditions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations; development and use of new technology; changes in public expectations and other changes in business conditions; the actions of competitors and other factors discussed elsewhere in this document.
Due to the seasonality in demand for natural gas and certain refined products and the changes in a number of external factors affecting Eni's operations, such as prices and margins of hydrocarbons and refined products, Eni's results from operations and changes in net borrowings for the first quarter of the year cannot be extrapolated on an annual basis.

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This press release for the Second Quarter and the First Half of 2009 (unaudited) is also available on the Eni web site: ***www.eni.it***

About Eni
Eni is one of the leading integrated energy companies in the world operating in the oil and gas, power generation, petrochemicals, engineering and construction industries. Eni is present in 70 countries and is Italy's largest company by market capitalization.

Summary results for the second quarter and the first half of 2009

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08		First Half 2008	First Half 2009	% Ch.
27,096	**23,741**	**18,267**	**(32.6)**	**Net sales from operations**	**55,388**	**42,008**	**(24.2)**
5,793	**3,967**	**2,405**	**(58.5)**	**Operating profit** [(a)]	**11,970**	**6,372**	**(46.8)**
(756)	125	(190)		Exclusion of inventory holding (gains) losses	(1,078)	(65)	
538	(338)	334		Exclusion of special items	579	(4)	
5,575	**3,754**	**2,549**	**(54.3)**	**Adjusted operating profit** [(a)]	**11,471**	**6,303**	**(45.1)**
3,437	**1,904**	**832**	**(75.8)**	**Net profit pertaining to Eni**	**6,758**	**2,736**	**(59.5)**
(542)	91	(143)		Exclusion of inventory holding (gains) losses	(783)	(52)	
(640)	(236)	213		*Exclusion of special items*	(679)	(23)	
2,255	**1,759**	**902**	**(60.0)**	**Adjusted net profit pertaining to Eni**	**5,296**	**2,661**	**(49.8)**
195	206	208	6.7	Adjusted net profit of minorities	367	414	12.8
2,450	**1,965**	**1,110**	**(54.7)**	**Adjusted net profit**	**5,663**	**3,075**	**(45.7)**
				Breakdown by division [(b)]:			
2,035	908	1,008	(50.5)	Exploration & Production	4,073	1,916	(53.0)
399	988	497	24.6	Gas & Power	1,659	1,485	(10.5)
71	68	(99)	..	Refining & Marketing	124	(31)	..
(97)	(95)	(114)	(17.5)	Petrochemicals	(162)	(209)	(29.0)
203	223	226	11.3	Engineering & Construction	368	449	22.0
(68)	(25)	(75)	(10.3)	Other activities	(114)	(100)	12.3
(17)	(174)	(292)	..	Corporate and financial companies	(139)	(466)	..
(76)	72	(41)		Impact of unrealized profit in inventory [(c)]	(146)	31	
				Net profit			
0.94	0.53	0.23	(75.5)	per ordinary share (€)	1.85	0.76	(58.9)
2.94	1.38	0.63	(78.6)	per ADR ($)	5.66	2.02	(64.3)
				Adjusted net profit			
0.62	0.49	0.25	(59.7)	per ordinary share (€)	1.45	0.73	(49.7)
1.94	1.28	0.68	(64.9)	per ADR ($)	4.44	1.94	(56.3)
3,645.1	**3,622.4**	**3,622.4**	**(0.6)**	**Weighted average number of outstanding shares** [(d)]	**3,649.1**	**3,622.4**	**(0.7)**
5,191	**5,443**	**2,178**	**(58.0)**	**Net cash provided by operating activities**	**9,950**	**7,621**	**(23.4)**
3,641	**3,147**	**3,697**	**1.5**	**Capital expenditures**	**6,759**	**6,844**	**1.3**

(a) From year 2009, the Company accounts gain and losses on non-hedging commodity derivatives instruments, including both fair value re-measurement and settled transactions, as items of operating profit. Adjusted operating profit and net profit only include gains and losses associated with settled transaction, gross and net of the associated tax impact respectively. Prior period results have been restated accordingly.
(b) For a detailed explanation of adjusted net profit by division see page 25.
(c) Unrealized profit in inventory concerned intragroup sales of goods and services recorded at period end in the equity of the purchasing business segment.
(d) Fully diluted.

Trading environment indicators

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08		First Half 2008	First Half 2009	% Ch.
121.38	44.40	**58.79**	(51.6)	Average price of Brent dated crude oil [(a)]	109.14	**51.60**	(52.7)
1.562	1.302	**1.362**	(12.8)	Average EUR/USD exchange rate [(b)]	1.530	**1.332**	(12.9)
77.71	34.10	**43.16**	(44.5)	Average price in euro of Brent dated crude oil	71.33	**38.74**	(45.7)
8.04	5.34	**3.61**	(55.1)	Average European refining margin [(c)]	5.93	**4.47**	(24.6)
11.25	6.28	3.90	(65.3)	Average European refining margin Brent/Ural [(c)]	8.64	**5.09**	(41.1)
5.15	4.10	**2.65**	(48.5)	Average European refining margin in euro	3.88	**3.36**	(13.4)
4.9	2.0	**1.3**	(73.5)	Euribor - three month rate (%)	4.7	**1.7**	(63.8)
2.8	1.2	**0.9**	(67.9)	Libor - three month dollar rate (%)	3.0	**1.0**	(66.7)

(a) In USD dollars per barrel. Source: Platt's Oilgram.
(b) Source: ECB.
(c) In USD per barrel FOB Mediterranean Brent dated crude oil. Source: Eni calculations based on Platt's Oilgram data.

Group results

Net Profit

Net profit for the second quarter of 2009 was €832 million, a decrease of €2,605 million from the second quarter of 2008, down 75.8%. For the first half net profit was €2,736 million, a decrease of €4,022 million from the first half of 2008, or 59.5%. The reduction reflected a decreased operating performance (down €3,388 million or 58.5% in the quarter, €5,598 or 46.8% in the first half) recorded mainly in the Exploration & Production division driven by lower oil and gas prices. In addition, the Group results were affected by lower profits reported by equity-accounted entities, a higher consolidated tax rate up from 40.5% to 57.2% in the second quarter (43.1% to 51.6% in the first half) mainly due to recently enacted tax regulations that provided a one-percentage point increase in the tax-rate applicable to Italian companies engaged in the energy sector and enactment of a supplemental tax rate to be added to the Italian statutory tax-rate resulting in higher taxes currently payable amounting to €71 million in the quarter (€142 million in the first half), as well as the circumstance that tax gains related to an adjustment to deferred taxation amounting to €1 billion were recorded in 2008.

Adjusted Net Profit

Adjusted net profit amounted to €902 million, representing a reduction of €1,353 million from the second quarter of 2008, down 60%. For the first half, adjusted net profit amounted to €2,661 million, a reduction of €2,635 million from the first half of 2008 (down 49.8%). Second quarter adjusted net profit is calculated by excluding an inventory holding profit of €143 million and special charges of €213 million net, resulting in an overall adjustment equal to an increase of €70 million. For the first half, adjusted net profit excludes an inventory holding profit of €52 million and special gains of €23 million net, resulting in an overall adjustment equal to a decrease of €75 million. Special charges related mainly to the impairment of oil&gas properties in the Exploration & Production division, a number of petrochemicals plants and the goodwill recognized on marketing assets in the Refining & Marketing division as well as environmental and other risk provisions.
Special gains related to re-measurement gains recorded on fair value evaluation of certain non-hedging commodity derivatives and, in the first half, gains on the divestment of certain oil&gas properties to the partner Suez.

Results by division

The decline in the Group adjusted net profit reflected lower results mainly reported by the Exploration & Production and the Refining & Marketing divisions.

Exploration & Production

The Exploration & Production division net results (down €1,027 million or 50.5% in the second quarter; down €2,157 million or 53% in the first half) were affected by a lower operating performance (down €2,898 million or 58.4% in the second quarter; down €5,015 million or 54.2% in the first half) driven by lower oil and gas realizations in dollar terms (down 48.2% and 35.4%, respectively in the second quarter; down 49.5% and 16.9%, respectively in the first half) and lower sales volumes (down 2.7 million boe or 1.7% in the second quarter; down 5.5 million boe, or 1.8% in the first half). These declines were partially offset by the positive impact of the depreciation of the euro against the dollar (down 12.8% in the second quarter and down 12.9% in the first half).

Refining & Marketing

The Refining & Marketing division reported an adjusted operating loss in the second quarter of €106 million (down €203 million), reversing a prior year profit of €97 million. In the first half, it reported an adjusted operating loss of €51 million, down €160 million from the first half of 2008. These declines were driven by sharply lower refining margins as a result of an unfavourable trading environment. This negative trend was partly offset by an improved operating performance delivered by marketing activities in Italy. Net results were down by €170 million and €155 million respectively in the second quarter and first half of 2009.

Gas & Power

In the second quarter the Gas & Power division achieved an increased adjusted net profit (up €98 million, or 24.6%) driven by better operating performance (up €61 million, or 9.7%). The main positive trends behind this were the favourable trading environment as a result of the euro/dollar exchange rate trend and movements in energy parametres, as well as the circumstance that certain operating expenses were incurred in the second

quarter of 2008 and mainly related to a claim filed by the Authority for Electricity and Gas which reverted application of a favourable tariff regime on electricity productions. On the negative side, marketed volumes were lower from a year ago mainly on the Italian market. Regulated businesses in Italy reported higher results due to the positive performance of the Distribution activity while the results of International transport and of equity-accounted entities were negatively affected by lower gas demand.
In the first half, the division result (down €174 million, or 10.5%) was affected by a weaker operating performance (down €242 million or 10.5%) as marketing and power generation volumes decreased due to lower demand that was affected by the economic slowdown, particularly in Italy. This reduction also reflected a negative impact associated with the settlement of certain non-hedging commodity derivatives resulting in a deeper loss of €117 million relating to amounts of gas and electricity that the Gas & Power division expects to supply at fixed prices in future periods. Under applicable accounting principles, the Company is not allowed to bring forward this derivative impact to the future reporting periods where the associated revenues are expected to be recognized. In order to assist investors in assessing this business trend, the Company discloses as an alternative measure of performance, the Gas & Power EBITDA pro-forma adjusted that is used internally to evaluate underlying performance of the Marketing business (see page 20 below). When measured against this performance indicator, the Gas & Power division reported steady results compared to the first half of 2008. The negative trends in the marketing activities were partly offset by a favourable trading environment. Also the results of the Regulated businesses in Italy, International transport and of equity-accounted entities were negatively affected by lower gas demand.

Engineering & Construction
The Engineering & Construction division reporting improved net profit (up €23 million or 11.3% in the second quarter; up €81 million or 22% in the first half) driven by better operating performance (up €44 million in the second quarter up €102 million in the first half) driven by the large number of ongoing oil&gas projects that were started during the upward phase of the oil cycle.

Petrochemicals
In the second quarter the Petrochemicals division reported a net loss of €114 million down €17 million. In the first half the net loss amounted to €209 million, down €47 million. These losses were due to a deteriorating operating performance (unchanged in the second quarter; down €41 million in the first half), reflecting lower demand in its end-markets, which negatively affected both volumes and margins.

Liquidity and capital resources

Summarized Group Balance Sheet

(€ million)

	December 31, 2008	March 31, 2009	June 30, 2009	Change vs Dec. 31, 2008	Change vs Mar. 31, 2009
Fixed assets	74,461	78,179	77,871	3,410	(308)
Net working capital	(9,437)	(11,797)	(8,409)	1,028	3,388
Equity instruments	2,741	3,034		(2,741)	(3,034)
Provisions for employee benefits	(947)	(950)	(966)	(19)	(16)
Non-current assets held for sale including related net borrowings	68	68	68		
Capital employed, net	**66,886**	**68,534**	**68,564**	**1,678**	**30**
Shareholders' equity including minority interest	48,510	52,006	50,209	1,699	(1,797)
Net borrowings	18,376	16,528	18,355	(21)	1,827
Total liabilities and shareholders' equity	**66,886**	**68,534**	**68,564**	**1,678**	**30**

Fixed assets amounted to €77,871 million, representing an increase of €3,410 million from December 31, 2008. This increase reflected capital expenditures incurred in the period (€6,844 million) and recognition of the share of goodwill associated with the buyout of the Distrigas minorities (€903 million), partly offset by depreciation, depletion, amortization and impairment charges (€4,588 million).

Net working capital was in negative territory at €8,409 million, increasing by €1,028 million from December 31, 2008, resulting from the elimination of the put option provided to Publigaz and accounted in the 2008 balance sheet among current liabilities (up €1,495 million) as it tendered its Distrigas shares in the course of the mandatory offer on the Distrigas minorities and a decrease in tax payables due to tax payments made in June by Italian subsidiaries offset by income taxes accrued for the half. On the opposite side, inventories of hydrocarbons and trade working capital registered a decrease.

The line item **equity instruments** decreased by an amount corresponding to the book value of a 20% interest in Gazprom Neft (€2,741 million at the 2008 balance sheet date) as the Russian company Gazprom exercised its call option on the whole interest based on the arrangements in place with Eni.

The **Group's equity including minorities** increased by €1,699 million to €50,209 million, reflecting: (i) net profit for the period (€3,150 million); (ii) closing of the mandatory public takeover bid on the minorities of Distrigas which determined an increase in shareholders' equity due to the cancellation of the put option awarded to Publigaz SCRL in 2008 (€1,495 million); (iii) the Snam Rete Gas' share capital increase subscribed by minorities for €1,542 million. These increases were offset by the payment of the balance dividend for fiscal year 2008 to Eni shareholders (€2,355 million) as well as dividend payment from certain consolidated subsidiaries to minorities (€258 million mainly relating to Saipem and Snam Rete Gas), the elimination of the book value, including their respective share of profit for the period, of the Distrigas minorities who tendered their shares to the public offer (€1,146 million) and other negative changes (approximately €700 million net of the related tax effect) associated with currency translation differences and losses on fair value evaluation of certain cash flow hedges taken to reserve.

Summarized Group Cash Flow Statement

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
5,191	**5,443**	**2,178**	**Net cash provided by operating activities**	**9,950**	**7,621**
(3,641)	(3,147)	(3,697)	Capital expenditure	(6,759)	(6,844)
(165)	(2,039)	(175)	Investments and acquisitions of consolidated subsidiaries and business	(1,949)	(2,214)
145	182	3,093	Disposals	473	3,275
257	1,745	(2,258)	Other cash flow related to capital expenditures, investments and disposals	581	(513)
1,787	**2,184**	**(859)**	**Free cash flow**	**2,296**	**1,325**
(2,739)		(2,355)	Dividends to Eni shareholders and shares repurchased	(2,930)	(2,355)
(220)	(2)	1,286	Dividends to minorities, shares repurchased and other changes in shareholders' equity	(228)	1,284
198	(334)	101	Exchange differences and other changes	624	(233)
(974)	**1,848**	**(1,827)**	**CHANGE IN NET BORROWINGS**	**(238)**	**21**

Main cash inflows for the first half of 2009 were: (i) net cash provided by operating activities (€7,621 million); (ii) cash proceeds of €3,070 million associated with the divestment of a 20% interest in Gazprom Neft following exercise of a call option agreement by Gazprom, plus the collection of the dividend for fiscal year 2008 by same Gazprom Neft for €91 million; (iii) the subscription by Snam Rete Gas minorities of a share capital increase amounting to €1,542 million; (iv) cash proceeds of €205 million mainly associated with the divestment of certain non strategic assets in the Exploration & Production division, following agreements signed with Suez. These funds were used to meet cash requirements associated with: (i) capital expenditure of €6,844 million; (ii) execution of a mandatory takeover bid on the Distrigas minorities, including the squeeze-out procedure for a total cash consideration of €2,045 million, (iii) payment of the balance dividend for the fiscal year 2008 to Eni shareholders (€2,355 million) as well as dividend payment to minorities (€258 million, mainly relating to Snam Rete Gas and Saipem). Net borrowings decreased by €21 million to €18,355 million from December 31, 2008.

Other information

Continuing listing standards provided by article No. 36 of Italian exchanges regulation about issuers that control subsidiaries incorporated or regulated in accordance with laws of extra-EU countries.

Certain provisions have been recently enacted regulating continuing Italian listing standards of issuers controlling subsidiaries that are incorporated or regulated in accordance with laws of extra-EU countries, also having a material impact on the consolidated financial statements of the parent company.

Regarding the aforementioned provisions, as of June 30, 2009 eight of Eni's subsidiaries – Burren Energy (Bermuda) Ltd, Burren Energy (Congo) Ltd, Eni Congo SA, Eni Norge AS, Eni Petroleum Co. Inc., NAOC-Nigerian Agip Oil Co. Ltd, Nigerian Agip Exploration Ltd and Trans Tunisian Pipeline Co Ltd – fall within the scope of the new continuing listing standard. Eni has already adopted adequate procedures to ensure full compliance with the new regulation.

Financial and operating information by division for the second quarter and the first half of 2009 is provided in the following pages.

Exploration & Production

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08	RESULTS [a]	(€ million)	First Half 2008	First Half 2009	% Ch.
9,035	**6,145**	**5,683**	**(37.1)**	**Net sales from operations**		**17,721**	**11,828**	**(33.3)**
4,774	**2,374**	**1,778**	**(62.8)**	**Operating profit**		**9,043**	**4,152**	**(54.1)**
188	(201)	286		Exclusion of special items:		209	85	
274		*220*		*- asset impairments*		*310*	*220*	
	(163)	*(4)*		*- gains on disposal of assets*			*(167)*	
1	*2*	*3*		*- provision for redundancy incentives*		*2*	*5*	
(86)	*(40)*	*67*		*- re-measurement gains/losses on commodity derivatives*		*(102)*	*27*	
(1)				*- other*		*(1)*		
4,962	**2,173**	**2,064**	**(58.4)**	**Adjusted operating profit**		**9,252**	**4,237**	**(54.2)**
13	33	50		Net financial income (expense) [b]		32	83	
151	(12)	125		Net income from investments [b]		263	113	
(3,091)	(1,286)	(1,231)		Income taxes [b]		(5,474)	(2,517)	
60.3	*58.6*	*55.0*		*Tax rate (%)*		*57.3*	*56.8*	
2,035	**908**	**1,008**	**(50.5)**	**Adjusted net profit**		**4,073**	**1,916**	**(53.0)**
				Results also include:				
1,708	1,686	1,785	4.5	- amortizations and depreciations		3,233	3,471	7.4
				of which:				
492	478	442	(10.2)	exploration expenditures		1,056	920	(12.9)
371	*376*	*394*	*6.2*	*- amortization of exploratory drilling expenditures and other*		*806*	*770*	*(4.5)*
121	*102*	*48*	*(60.3)*	*- amortization of geological and geophysical exploration expenses*		*250*	*150*	*(40.0)*
2,281	**2,148**	**2,759**	**21.0**	**Capital expenditures**		**4,364**	**4,907**	**12.4**
				of which:				
453	*380*	*352*	*(22.3)*	*- exploratory expenditures* [c]		*981*	*732*	*(25.4)*
				Production [d] [e]				
998	1,013	986	(1.2)	Liquids [f]	(kbbl/d)	1,005	1,000	(0.5)
4,442	4,398	4,290	(4.0)	Natural gas	(mmcf/d)	4,472	4,344	(3.1)
1,772	**1,779**	**1,733**	**(2.2)**	**Total hydrocarbons**	(kboe/d)	**1,784**	**1,756**	**(1.6)**
				Average realizations				
105.02	42.09	54.43	(48.2)	Liquids [f]	($/bbl)	95.71	48.30	(49.5)
7.78	7.06	5.03	(35.4)	Natural gas	($/mmcf)	7.29	6.05	(16.9)
80.32	41.46	44.20	**(45.0)**	**Total hydrocarbons**	($/boe)	**73.11**	**42.83**	**(41.4)**
				Average oil market prices				
121.38	44.40	58.79	(51.6)	Brent dated	($/bbl)	109.14	51.60	(52.7)
77.71	34.10	43.16	(44.5)	Brent dated	(€/bbl)	71.33	38.74	(45.7)
123.98	42.97	59.54	(52.0)	West Texas Intermediate	($/bbl)	110.96	51.26	(53.8)
401.88	161.39	131.02	(67.4)	Gas Henry Hub	($/kmc)	353.50	146.20	(58.6)

(a) From January 1, 2009, results of the gas storage business are reported within the Gas & Power segment reporting unit following restructuring of Eni's regulated gas businesses in Italy. Prior period results have been restated accordingly.
(b) Excluding special items.
(c) Includes exploration bonuses.
(d) Supplementary operating data is provided on page 41.
(e) Includes Eni's share of production of equity-accounted entities.
(f) Includes condensates.

Results

The Exploration & Production division reported adjusted operating profit amounting to €2,064 million for the **second quarter of 2009**, representing a decrease of €2,898 million from the second quarter 2008, down 58.4%, mainly driven by lower oil and gas realizations in dollars (down 48.2% and 35.4%, respectively). In addition, the business reported lower production sales volumes (down 2.7 million boe or 1.7%). These negatives were partly offset by a positive impact associated with the depreciation of the euro over the dollar (up approximately €300 million).

Special charges excluded from the adjusted operating profit amounted to €286 million and mainly regarded impairments of oil&gas properties in the Gulf of Mexico, Nigeria and Egypt triggered by a revision of the commodity price scenario, as well as the re-measurement gains recorded on fair value evaluation of the ineffective portion of certain cash flow hedges.

Adjusted net profit decreased by €1,027 million to €1,008 million from the second quarter of 2008 due to a weaker operating performance and lower results from equity-accounted entities. The negatives were partly offset by a lower tax rate from 60.3% to 55%.

Adjusted operating profit for the **first half of 2009** was €4,237 million, a decrease of €5,015 million from the first half of 2008, down 54.2%, mainly driven by lower oil and gas realizations in dollars (down 49.5% and 16.9% respectively). Results for the period were also affected by lower production sales volumes (down 5.5 mmboe) and higher amortization charges in connection with development activities. These negatives were partly offset by the depreciation of the euro over the dollar (approximately €600 million).

Adjusted net profit amounted to €1,916 million for the first half of 2009, with a reduction of €2,157 million (down 53%) due to a weaker operating performance and lower results from equity-accounted entities.

Special charges excluded by the adjusted operating profit of the first half of 2009 (€85 million) mainly regarded impairments of oil&gas properties in the Gulf of Mexico, Nigeria and Egypt, gains on the divestment of certain exploration and production assets as part of the agreements signed with Suez as well as the re-measurement gains recorded on fair value evaluation of the ineffective portion of certain cash flow hedges.

Operating review

Hydrocarbon production for the **second quarter of 2009** (1,733 kboe/d) decreased by 39 kboe/d from the second quarter 2008 (down 2.2%) mainly due to OPEC production cuts (down approximately 30 kboe/d), continuing security issues in West Africa, lower production uplifts associated with weak European gas demand and mature field declines. Those negatives were partially offset by continuing production ramp-up in Angola, Congo and Venezuela, a better performance in Kazakhstan and the positive price impact reported in the Company's PSAs (up approximately 60 kboe/d). The share of oil and natural gas produced outside Italy was 90% (88% in the second quarter of 2008).

Liquids production was 986 kbbl/d, a decrease of 12 kbbl/d from the second quarter of 2008, or 1.2%. Mature fields decline, mainly in Italy and in the North Sea, were partly offset by production increases achieved in Angola, benefiting from production ramp-up at the Saxi-Batuque fields (20%), in Congo, due to the development of the Ikalou (100%) and Awa Paloukou (90%) projects, in Venezuela due to the Corocoro production start-up (26%). Also Kazakhstan operations delivered better field performance and higher entitlements were reported in the Company PSAs as a result of lower oil prices.

Natural gas production (4,290 mmcf/d) decreased by 152 mmcf/d, or 4%. Main reductions were recorded in Libya, Italy and Nigeria. Increases were recorded in the Gulf of Mexico due to the lower facility downtime, in Kazakhstan and in Congo due to the start-up of the M'Boundi field gas project (83%) .

Hydrocarbon production for the **first half of 2009** (1,756 kboe/d) decreased by 28 kboe/d from the first half 2008 (down 1.6%) mainly due to OPEC production cuts (down approximately 30 kboe/d), continuing security issues in Nigeria, lower production uplifts associated with weak European gas demand and mature field declines. Those negatives were partially offset by continuing production ramp-up in Angola, Congo, the Gulf of Mexico, Egypt and Venezuela, and the positive price impact reported in the Company's PSAs (up approximately 60 kboe/d). The share of oil and natural gas produced outside Italy was 90% (89% in the first half of 2008).

Liquids production was 1,000 kbbl/d, a decrease of 5 kbbl/d from the first half of 2008, or 0.5%. Mature fields decline, mainly in Italy and in the North Sea, were partly offset by production increases achieved in Angola, Congo and Venezuela, as well as higher entitlements were reported in the Company PSAs as a result of lower oil prices.

Natural gas production (4,344 mmcf/d) decreased by 128 mmcf/d, or 3.1%, mainly in Italy, Nigeria and Libya. Increases were recorded in the Gulf of Mexico and in Congo, due to above mentioned causes.

Liquids and gas realizations for the quarter decreased on average by 45% in dollar terms (down 41.4% in the first half) driven by lower oil prices (Brent declined by 51.6% and 52.7% in the second quarter and first half, respectively). Eni's average oil realizations were increased by 0.13$/bbl (0.79 $/bbl in the first half) due to the settlement of certain commodity derivatives relating to the sale of 10.5 mmbbl in the second quarter (21 mmbbl in the first half). This was part of a derivative transaction the Company entered into to hedge exposure to variability in future cash flows expected from the sale of a portion of the Company's proved reserves for an original amount of approximately 125.7 mmbbl in the 2008-2011 period, decreasing to 58.7 mmbbl by end of June 2009. These hedging transactions were undertaken in connection with the acquisition of oil and gas assets in Congo and in the Gulf of Mexico that were executed in 2007. Excluding this impact, liquid realizations would have been $54.30 per barrel ($47.51 per barrel in the first half).
Eni's average gas realizations decreased by 35.4% in the quarter (down 16.9% in the first half) showing a slower pace of decline due to time lags between movements in oil prices and their effect on gas prices provided in pricing formulae.

Second Quarter 2008	First Quarter 2009	Second Quarter 2009			First Half 2008	2009
94.5	92.9	94.1	Sales volumes	(mmbbl)	182.6	187.0
11.5	10.5	10.5	Sales volumes hedged by derivatives (cash flow hedge)		23.0	21.0
112.03	40.63	54.30	Average realized price per barrel, excluding derivatives	($/bbl)	101.41	47.51
(7.01)	1.46	0.13	Realized gains (losses) on derivatives		(5.70)	0.79
105.02	42.09	54.43	Average realized price per barrel		95.71	48.30

Gas & Power

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08	RESULTS [a] (€ million)	First Half 2008	First Half 2009	% Ch.
7,021	**11,849**	**5,619**	**(20.0)**	**Net sales from operations**	**16,971**	**17,468**	**2.9**
690	**1,253**	**863**	**25.1**	**Operating profit**	**2,425**	**2,116**	**(12.7)**
(61)	276	18		Exclusion of inventory holding (gains) losses	(138)	294	
	(166)	(191)		Exclusion of special items:	8	(357)	
14	*2*	*15*		*- environmental charges*	*14*	*17*	
		(5)		*- gains on disposal of assets*		*(5)*	
4	*3*	*5*		*- provision for redudancy incentives*	*7*	*8*	
(16)	*(171)*	*(206)*		*- re-measurement gains/losses on commodity derivatives*	*(11)*	*(377)*	
(2)				*- other*	*(2)*		
629	**1,363**	**690**	**9.7**	**Adjusted operating profit**	**2,295**	**2,053**	**(10.5)**
149	*774*	*213*	*43.0*	*Marketing*	*1,106*	*987*	*(10.8)*
349	*469*	*390*	*11.7*	*Regulated businesses in Italy [a]*	*933*	*859*	*(7.9)*
131	*120*	*87*	*(33.6)*	*International transport*	*256*	*207*	*(19.1)*
(3)	(6)	(6)		Net finance income (expense) [b]	(8)	(12)	
98	100	62		Net income from investments [b]	233	162	
(325)	(469)	(249)		Income taxes [b]	(861)	(718)	
44.9	*32.2*	*33.4*		*Tax rate (%)*	*34.2*	*32.6*	
399	**988**	**497**	**24.6**	**Adjusted net profit**	**1,659**	**1,485**	**(10.5)**
519	**390**	**361**	**(30.4)**	**Capital expenditures**	**969**	**751**	**(22.5)**
				Natural gas sales (bcm)			
18.84	**28.36**	**17.33**	**(8.0)**	**Sales of consolidated subsidiaries**	**45.28**	**45.69**	**0.9**
11.61	13.21	7.90	(32.0)	- Italy (includes own consumption)	28.57	21.11	(26.1)
6.96	15.03	9.17	31.8	- Rest of Europe	16.32	24.20	48.3
0.27	0.12	0.26	(3.7)	- Outside Europe	0.39	0.38	(2.6)
1.84	**2.50**	**1.67**	**(9.2)**	**Eni's share of sales of natural gas of affiliates**	**4.47**	**4.17**	**(6.7)**
20.68	**30.86**	**19.00**	**(8.1)**	**Total sales and own consumption (G&P)**	**49.75**	**49.86**	**0.2**
1.48	1.49	1.46	(1.4)	E&P in Europe and in the Gulf of Mexico	3.32	2.95	(11.1)
22.16	**32.35**	**20.46**	**(7.7)**	**Worldwide gas sales**	**53.07**	**52.81**	**(0.5)**
20.15	**20.29**	**17.81**	**(11.6)**	**Gas volumes transported in Italy** (bcm)	**45.38**	**38.10**	**(16.0)**
11.90	10.42	9.62	(19.2)	Eni	27.23	20.04	(26.4)
8.25	9.87	8.19	(0.7)	On behalf of third parties	18.15	18.06	(0.5)
7.21	**7.78**	**7.57**	**5.0**	**Electricity sold** (TWh)	**15.37**	**15.35**	**(0.1)**

(a) From January 1, 2009, results of the gas storage business are reported within the Gas & Power segment reporting unit, within the regulated businesses results, following restructuring of Eni regulated gas businesses in Italy. As of that date, the results of the regulated businesses in Italy therefore include results of the Transport, Distribution, Re-gasification and Storage activities in Italy. Prior period results have been restated accordingly.
(b) Excluding special items.

Results

In the **second quarter of 2009** the Gas & Power division reported adjusted operating profit of €690 million, an increase of €61 million or 9.7% from the second quarter of 2008, driven by a better performance achieved by the Marketing business. The Marketing performance also benefited from the impact of the settlement of certain non-hedging commodity derivatives resulting in a larger gain of €37 million relating to amounts of gas and electricity that the Gas & Power division expects to supply at fixed prices in future periods. Under applicable accounting principles, the Company is not allowed to bring forward this derivative impact to the future reporting periods where the associated revenues are expected to be recognized. In order to assist investors in assessing this business trend, the Company discloses as an alternative measure of performance, the Gas & Power EBITDA pro-forma adjusted that is used internally to evaluate underlying performance of the Marketing business (see page 20 below). When measured against this performance indicator, the Gas & Power division confirmed positive trends in the Marketing business for the second quarter of 2009.

Special items excluded from the adjusted operating profit amounted to €191 million, and mainly related to re-measurement gains recorded on fair value evaluation of certain non-hedging commodity derivatives (€206 million) in marketing activities.

Adjusted net profit for the second quarter of 2009 was €497 million, increasing by €98 million from the second quarter of 2008 (up 24.6%) due to the improvement achieved in the operating performance and to lower taxes currently payable. These positives were partly offset by lower earnings reported by equity-accounted entities.

In the **first half of 2009** the Gas & Power division reported adjusted operating profit of € 2,053 million, a decrease of €242 million or 10.5% from the first half of 2009, mainly due to lower results recorded by marketing activities due to a weaker gas and electricity demand, particularly in Italy. This reduction also reflected a negative impact associated with the settlement of certain non-hedging commodity derivatives resulting in a deeper loss of €117 million relating to amounts of gas and electricity that the Gas & Power division expects to supply at fixed prices in future periods. Under applicable accounting principles, the Company is not allowed to bring forward this derivative impact to the future reporting periods where the associated revenues are expected to be recognized. In order to assist investors in assessing this business trend, the Company discloses as an alternative measure of performance, the Gas & Power EBITDA pro-forma adjusted that is used internally to evaluate underlying performance of the Marketing business (see page 20 below). When measured against this performance indicator, the Gas & Power division reported steady results compared to the first half of 2008. Regulated Businesses in Italy and International Transport results were lower.

Special items excluded from operating profit amounted to €357 million, and related mainly to re-measurement gains recorded on fair value evaluation of certain non-hedging commodity derivatives (€377 million) in marketing activities.

Adjusted net profit for the first half of 2009 was €1,485 million, declining by €174 million from the first half of 2008 (down 10.5%) due to a weaker operating performance, as well as lower earnings reported by equity-accounted entities, partly offset by lower taxes currently payable.

Operating review

Marketing

This business reported **adjusted operating profit** of €213 million for the **second quarter of 2009**, representing an increase of €64 million from the second quarter of 2008 mainly due to:

- a favourable trading environment associated with trends in the euro/dollar exchange rate and movements in energy parameters;
- the circumstance that certain operating expenses were incurred in the second quarter of 2008 and mainly related to a claim filed by the Authority for Electricity and Gas which reverted application of a favourable tariff regime on electricity productions.

These positives were partly offset by lower sales volumes of gas reported by consolidated subsidiaries (down 8%) driven by the economic downturn that particularly affected the Italian market (down 32%). In addition the settlement of certain non-hedging commodity derivatives resulted in a larger gain of €37 million charged to profit, which related to amounts of gas and electricity that the Gas & Power division expects to supply at fixed prices in future periods. Under applicable accounting principles, the Company is not allowed to bring forward this derivative impact to the future reporting periods where the associated revenues are expected to be recognized. In order to assist investors in assessing this business trend, the Company discloses as an alternative measure of performance, the Gas & Power EBITDA pro-forma adjusted that is used internally to evaluate underlying performance of the Marketing business (see page 20 below). When measured against this performance indicator, the Gas & Power division confirmed positive trends in the Marketing business for the second quarter of 2009.

Marketing business reported adjusted operating profit of €987 million for the **first half of 2009**, a decrease of €119 million from first half of 2008 mainly due to lower sales volumes reported by consolidated subsidiaries as a result of the economic downturn that particularly hit the Italian market where volumes were down 26.1%.
This reduction also reflected a negative impact associated with the settlement of certain non-hedging commodity derivatives resulting in a deeper loss of €117 million relating to amounts of gas and electricity that the Gas & Power division expects to supply at fixed prices in future periods. Under applicable accounting principles, the Company is not allowed to bring forward this derivative impact to the future reporting periods where the associated revenues are expected to be recognized. In order to assist investors in assessing this business trend, the Company discloses as an alternative measure of performance, the Gas & Power EBITDA pro-forma adjusted that is used internally to evaluate underlying performance of the Marketing business (see page 20 below). When measured against this performance indicator, the Gas & Power division reported steady results compared to the first half of 2008.
These negatives were partly offset by the positive trend results associated with favourable movements in energy parameters and the circumstance that certain operating expenses were incurred a year ago.

NATURAL GAS SALES BY MARKET

(bcm)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08		First Half 2008	First Half 2009	% Ch.
11.61	**13.21**	**7.90**	**(32.0)**	**ITALY**	**28.60**	**21.11**	**(26.2)**
1.24	2.81	0.94	(24.2)	- Wholesalers	4.45	3.75	(15.7)
1.02	0.41	0.24	(76.5)	- Gas release	2.12	0.65	(69.3)
0.37	0.10	0.29	(21.6)	- Italian exchange for gas and spot markets	0.52	0.39	(25.0)
2.56	2.60	2.09	(18.4)	- Industries	5.80	4.69	(19.1)
2.46	*2.12*	*1.97*	*(19.9)*	*Industries*	*5.21*	*4.09*	*(21.5)*
0.10	*0.48*	*0.12*	*20.0*	*Medium-sized enterprises and services*	*0.59*	*0.60*	*1.7*
4.27	2.65	2.35	(45.0)	- Power generation	9.04	5.00	(44.7)
0.82	3.13	0.74	(9.8)	- Residential	3.72	3.87	4.0
1.33	1.51	1.25	(6.0)	- Own consumption	2.95	2.76	(6.4)
10.55	**19.14**	**12.56**	**19.1**	**INTERNATIONAL SALES**	**24.47**	**31.70**	**29.5**
8.45	**17.18**	**10.65**	**26.0**	**Rest of Europe**	**20.01**	**27.83**	**39.1**
3.04	3.41	2.36	(22.4)	- Importers in Italy	6.84	5.77	(15.6)
5.41	13.77	8.29	53.2	- European target markets	13.17	22.06	67.5
1.71	*1.55*	*1.70*	*(0.6)*	*Iberian Peninsula*	*3.63*	*3.25*	*(10.5)*
1.01	*1.73*	*0.95*	*(5.9)*	*Germany - Austria*	*2.65*	*2.68*	*1.1*
	5.10	*2.16*	*..*	*Belgium*		*7.26*	*..*
0.35	*1.29*	*0.17*	*(51.4)*	*Hungary*	*1.59*	*1.46*	*(8.2)*
0.79	*0.97*	*1.01*	*27.8*	*North Europe*	*1.47*	*1.98*	*34.7*
1.05	*1.30*	*1.02*	*(2.9)*	*Turkey*	*2.64*	*2.32*	*(12.1)*
0.45	*1.34*	*1.02*	*..*	*France*	*1.03*	*2.36*	*..*
0.05	*0.49*	*0.26*	*..*	*Other*	*0.16*	*0.75*	*..*
0.62	**0.47**	**0.45**	**(27.4)**	**Extra European markets**	**1.14**	**0.92**	**(19.3)**
1.48	**1.49**	**1.46**	**(1.4)**	**E&P in Europe and in the Gulf of Mexico**	**3.32**	**2.95**	**(11.1)**
22.16	**32.35**	**20.46**	**(7.7)**	**WORLDWIDE GAS SALES**	**53.07**	**52.81**	**(0.5)**

In the **second quarter of 2009 natural gas sales** were 20.46 bcm, a decrease of 1.70 bcm from the second quarter of 2008, down 7.7%, driven by sharply lower gas demand in Europe, particularly in Italy, caused by the economic downturn. This negative was partly offset by the contribution of the Distrigas acquisition (up 2.67 bcm). Sales included own consumption, Eni's share of sales made by equity-accounted entities and upstream sales in Europe and the Gulf of Mexico.

Sales volumes on the Italian market declined by 3.71 bcm, or 32%, to 7.90 bcm driven by sharply lower supplies to the power generation business (down 1.92 bcm) and, to a lesser extent, to industrial customers (down 0.47 bcm) dragged down by a deep fall in industrial production, and wholesalers (down 0.30 bcm). Lower sales to power generation customers were also caused by greater use of water basins in the production of electricity thus replacing gas-fired production. Sales volumes to the residential sector registered a slight reduction (down 0.08 bcm).

International sales were up 2.01 bcm, or 19.1%, to 12.56 bcm, benefiting from the contribution of Distrigas (up 2.67 bcm).
Organic growth was achieved in a number of European markets, including the French market where ongoing marketing initiatives and a growing customer base helped boost sales (up 0.27 bcm) and in Northern Europe (up 0.22 bcm). Lower sales volumes were recorded in Hungary (down 0.18 bcm) and Germany-Austria markets (down 0.10 bcm). Sales to importers to Italy were also lower (down by 0.68 bcm) reflecting a difficult market situation.

In the **first half of 2009 natural gas sales** were 52.81 bcm, a decrease of 0.26 bcm from the first half of 2008, down 0.5%, due to sharply lower gas demand in Europe caused by the economic downturn. This negative was partly offset by the contribution of the Distrigas acquisition (up 8.53 bcm). Sales included own consumption, Eni's share of sales made by equity-accounted entities and upstream sales in Europe and the Gulf of Mexico.

In Italy, sales volumes decreased by 7.49 bcm, or 26.2%, to 21.11 bcm reflecting sharply lower supplies to power generation (down 4.04 bcm) and industrial customers (down 1.12 bcm) due to a decline in industrial production and to a lesser extent, to wholesalers (down 0.70 bcm) also reflecting competitive pressure. Lower sales to power generation customers reflected also a wider use of water basins. These negatives were partly offset by increased volumes to the residential sector (up 0.15 bcm) mainly due to stronger weather-related sales.

International sales were up 7.23 bcm, or 29.5%, to 31.70 bcm, benefiting from the contribution of Distrigas. In addition to this positive, organic sales increases were achieved in a number of European markets, including France (up 0.62 bcm) and Northern Europe (up 0.51 bcm). Lower volumes were reported in supplies to importers to Italy (down 1.07 bcm) as a result of the weak demand outlook in that country, in the Exploration & Production segment sales in particular in Europe (down 0.37 bcm or 11.1%), and in certain European markets, mainly in the Iberian Peninsula (down 0.38 bcm) and Turkey (down 0.32 bcm).

In the second quarter of 2009, **electricity sales** increased to 7.57 TWh, up 5%, driven by higher volumes traded. A negative trend was recorded by lower availability of electricity production volumes. Increased volumes mainly related to higher sales on open markets and to the Italian Power Exchange.
In the first half of 2009 **electricity sales** of 15.35 TWh were in line with the same period of 2008.

Regulated businesses in Italy
These businesses reported **adjusted operating profit** of €390 million for the **second quarter of 2009**, up €41 million, or 11.7% from the same period of 2008 due to increased results reported by the Distribution business (up €57 million). This trend was mainly driven by a new tariff mechanism set by the Authority for electricity and gas effective from January 1, 2009 which provided for elimination of the commodity component of the tariff resulting in a revenue profile that is largely unaffected by seasonal swings in volumes of gas distributed.
This positive was partly offset by the decline in Transport activities which were negatively affected by lower volumes as a result of the weak gas demand in Italy (down €26 million). On the positive side, results benefited from tariff increases associated with new capital expenditures.
The Storage business reported adjusted operating profit of €42 million for the second quarter of 2009 (€32 million in the second quarter of 2008).

Regulated businesses in Italy reported **adjusted operating profit** of €859 million for the **first half of 2009**, down €74 million, or 7.9% from the same period of 2008 due to weaker results reported by Transport activities (down €58 million), caused by a decline in gas demand in Italy, and by Distribution business (down €25 million) which

recorded a negative trend mainly driven by the impact of the above mentioned new tariff mechanism set by the Authority for electricity and gas.
The Storage business reported adjusted operating profit of €126 million, a slight increase from the first half of 2008 (€117 million).

Volumes of gas transported in Italy (17.81 bcm in the second quarter of 2009 and 38.10 bcm in the first half of 2009) decreased by 2.34 bcm, or 11.6%, from the second quarter of 2008 (down 7.28 bcm from the first half of 2008) due to lower gas deliveries to all market segments associated with the current economic downturn.

In the first half of 2009, 4.3 bcm were input to Company's **storage** deposits (3.1 bcm on the second quarter of 2008), an increase of 1.2 bcm compared to the same period of 2008.

International Transport
This business reported **adjusted operating profit** of €87 million for the **second quarter of 2009** (€207 million for the first half of 2009), representing a decrease of €44 million or 33.6% from the second quarter of 2008 mainly due to the recognition of the costs incurred to repair and restore to full capacity the underwater TMPC pipeline that was damaged in an accident occurred in December 2008.

Other performance indicators

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08		First Half 2008	First Half 2009	% Ch.
806	**1,720**	**821**	**1.9**	**Pro-forma adjusted EBITDA**	**2,583**	**2,541**	**(1.6)**
345	1,184	374	8.4	Marketing	1,534	1,558	1.6
1	*175*	*(15)*		*of which: +/(-) adjustment on commodity derivatives*	*(2)*	*160*	
268	343	301	12.3	Regulated businesses in Italy	680	644	(5.3)
193	193	146	(24.4)	International transport	369	339	(8.1)

EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization charges) on an adjusted basis is calculated by adding amortization and depreciation charges to adjusted operating profit which is also modified to take into account certain impacts associated with derivatives instruments as discussed below.
This performance indicator include adjusted EBITDA of Eni's wholly owned subsidiaries and Eni's share of adjusted EBITDA generated by certain affiliates which are accounted for under the equity method for IFRS purposes.
The EBITDA of Snam Rete Gas is includes according to Eni's share of equity (55.58% as of June 30, 2009, which takes into account the amount of own shares held in treasury by the subsidiary itself) although being fully consolidated when preparing consolidated financial statements in accordance with IFRS, due to its status of listed company. Also results of Italgas SpA and Stoccaggi Gas SpA are included according to the same share of equity as Snam Rete Gas due to closing of the restructuring deal which involved Eni's regulated business in the Italian gas sector whereby the parent company Eni SpA divested the entire share capital of the two subsidiaries to Snam Rete Gas.
In order to calculate the EBITDA proforma adjusted, the adjusted operating profit of the marketing business is modified to take into account the impact of the settlement of certain commodity and exchange rate derivatives that do not meet the formal criteria to be classified as hedges under the IFRS. Those are entered into by the Company in view of certain amounts of gas and electricity that the Company expects to supply at fixed prices in future periods. The impact of those derivatives is allocated to the EBITDA pro-forma adjusted relating to the reporting periods during which those supplies at fixed prices are recognized.
Management believes that the EBITDA pro-forma adjusted is an important alternative measure to assess the performance of Eni's Gas & Power division taking account of evidence that this division is comparable to European utilities in the gas and power generation sector. This measure is provided with the intent to assist investors and financial analysts in assessing the Eni Gas & Power divisional performance as compared to its European peers, as EBITDA is widely used as the main performance indicator for utilities. The EBITDA pro-forma adjusted is a non-GAAP measure under IFRS.

Refining & Marketing

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08	RESULTS	(€ million)	First Half 2008	First Half 2009	% Ch.
13,281	**6,386**	**7,735**	**(41.8)**	**Net sales from operations** [(a)]		**24,240**	**14,121**	**(41.7)**
561	**240**	**47**	**(91.6)**	**Operating profit**		**776**	**287**	**(63.0)**
(609)	(209)	(258)		Exclusion of inventory holding (gains) losses		(816)	(467)	
145	24	105		Exclusion of special items:		149	129	
	7	*15*		*- environmental charges*		*6*	*22*	
149	*6*	*46*		*- asset impairments*		*149*	*52*	
	(1)	*2*		*- gains on disposal of assets*			*1*	
		15		*- risk provisions*			*15*	
4	*5*	*3*		*- provision for redudancy incentives*		*6*	*8*	
1	*7*	*24*		*- re-measurement gains/losses on commodity derivatives*			*31*	
(9)				*- other*		*(12)*		
97	**55**	**(106)**	**..**	**Adjusted operating profit**		**109**	**(51)**	**..**
2	35	4		Net income from investments [(b)]		64	39	
(28)	(22)	3		Income taxes [(b)]		(49)	(19)	
28.3	*24.4*	*2.9*		*Tax rate (%)*		*28.3*	*..*	
71	**68**	**(99)**	**..**	**Adjusted net profit**		**124**	**(31)**	**..**
201	**85**	**132**	**(34.3)**	**Capital expenditures**		**350**	**217**	**(38.0)**
				Global indicator refining margin				
8.04	5.34	3.61	(55.1)	Brent	($/bbl)	5.93	4.47	(24.6)
5.15	4.10	2.65	(48.5)	Brent	(€/bbl)	3.88	3.36	(13.4)
11.25	6.28	3.90	(65.3)	Brent/Ural	($/bbl)	8.64	5.09	(41.1)
				Refining throughputs and sales	(mmtonnes)			
6.34	**5.72**	**5.91**	**(6.8)**	**Refining throughputs of wholly-owned refineries**		**12.69**	**11.63**	**(8.4)**
7.39	7.05	7.11	(3.8)	Refining throughputs on own account Italy		14.91	14.16	(5.0)
1.31	1.28	1.21	(7.6)	Refining throughputs on own account Rest of Europe		2.74	2.49	(9.1)
8.70	**8.33**	**8.32**	**(4.4)**	**Refining throughputs on own account**		**17.65**	**16.65**	**(5.7)**
2.18	2.10	2.31	6.0	Retail sales Italy		4.24	4.41	4.0
0.82	0.69	0.76	(7.3)	Retail sales Rest of Europe		1.61	1.45	(9.9)
3.00	**2.79**	**3.07**	**2.3**	**Total retail sales in Europe**		**5.85**	**5.86**	**0.2**
2.80	2.41	2.25	(19.6)	Wholesale Italy		5.36	4.66	(13.1)
1.02	0.91	0.85	(16.7)	Wholesale Rest of Europe		1.92	1.76	(8.3)
3.82	**3.32**	**3.10**	**(18.8)**	**Total wholesale in Europe**		**7.28**	**6.42**	**(11.8)**
0.14	0.09	0.12	(14.3)	Wholesale Rest of World		0.28	0.21	(25.0)
4.47	4.77	4.87	8.9	Other sales		9.11	9.64	5.8
11.43	**10.97**	**11.16**	**(2.4)**	**Sub-total**		**22.52**	**22.13**	**(1.7)**
0.53			..	Iberian Peninsula		1.04		..
11.96	**10.97**	**11.16**	**(6.7)**	**SALES**		**23.56**	**22.13**	**(6.1)**
				Refined product sales by region				
6.72	6.18	6.72		Italy		14.31	12.90	(9.9)
2.37	1.60	1.61	(32.1)	Rest of Europe		4.57	3.21	(29.8)
2.87	3.19	2.83	(1.4)	Rest of World		4.68	6.02	28.6

(a) From January 1, 2009 Eni adopted IFRIC 13 "Customer Loyalty Programmes" providing that the award credits granted to clients within the related loyalty programmes should be accounted as a separate component of the basic sale transaction, evaluated at their fair value and recognized as revenues when redeemed. Prior period results have been restated accordingly.
(b) Excluding special items.

Results

The Refining & Marketing division reported adjusted operating loss amounting to €106 million for the **second quarter of 2009**, reversing a prior year profit of €97 million. The reduction was mainly driven by sharply lower refining margin as a result of an unfavourable trading environment. Marketing activities delivered an improved operating performance reflecting market share gains posted by the Italian retailing activities supported by effective marketing campaigns and pricing initiatives, partly offset by lower marketed volumes on both wholesale markets in Italy and retail European markets affected by a weak demand.

Adjusted net loss for the quarter was €99 million mainly due to a lower operating performance partly offset by lower income taxes.

The Refining & Marketing division reported an adjusted operating loss of €51 million for the **first half of 2009**, a decrease of €160 million from the first half of 2008 mainly driven by sharply lower refining margin as a result of an unfavourable trading environment. Marketing activities delivered an improved operating performance.

Special charges excluded from adjusted operating profit amounted to €105 million for the quarter and €129 million for the first half of 2009 mainly related to impairment of goodwill recognized on marketing assets acquired in Central-Eastern Europe, capital expenditure for the period on asset impaired in previous reported years, as well as environmental and other risk provisions and re-measurement losses recorded on fair value evaluation of certain not hedging commodity derivatives.

Adjusted net loss for the first half of 2009 was €31 million mainly due to a lower operating performance (down €160 million) and decreased profits reported by equity-accounted entities. These negatives were partly offset by lower income taxes.

Operating review

Eni's refining throughputs for the **second quarter of 2009** were 8.32 mmtonnes, down 4.4% from the second quarter of 2008. Lower volumes were recorded in Italy (down 3.8%) as refinery operations were rescheduled at certain plants to take account of a weak demand environment and refinery downtime was prolonged. Volumes processed outside Italy declined particularly at Eni's plants in the Czech Republic due to lower capacity utilization in response to weak market demand for fuels.

Excluding the impact of the divestment of marketing activities in the Iberian Peninsula late in 2008 (down 0.53 mmtonnes), sales of refined products for the second quarter of 2009 decreased by approximately of 270 ktonnes, down 2.4%, to 11.16 mmtonnes compared to the second quarter of 2008. Retail sales in Italy followed a different trend and increased to 2.31 mmtonnes, up 6%, as the impact of declining demand was absorbed by increased volumes marketed under self-service promotional sales programmes and other marketing campaigns mainly on ordinary service stations, while sales on highways outlets declined. The retail market share as of June 30, 2009 was 31.6%, up 1.8 percentage points from June 30, 2008.

Retail sales in Italy (2.31 mmtonnes) increased by approximately 130 ktonnes, up 6%, mainly due to higher gasoil sales.
Wholesale sales in Italy (2.25 mmtonnes) decreased by approximately 550 ktonnes, down 19.6%, mainly due to lower consumptions reflecting the economic downturn.

Retail sales in the rest of Europe (760 ktonnes) decreased by approximately 60 ktonnes, or 7.3%, mainly reflecting a decline in demand, in particular in Germany and Eastern Europe.
Wholesale sales in the rest of Europe (850 ktonnes) decreased by 170 ktonnes, or 16.7%, mainly in Czech Republic, Germany and Switzerland.

Eni's refining throughputs for the **first half of 2009** were 16.65 mmtonnes, down 5.7% from the first half of 2008. Lower volumes were recorded in Italy (down 5%) as refinery operations were rescheduled at certain plants to take account of the weak demand for products and refinery downtime was prolonged. Volumes processed outside Italy declined in particular in Czech Republic and in Germany due to lower utilization of plants capacity in response to weak market conditions and the restructuring of the Bayernoil-Ingolstadt facility.

Retail sales in Italy (4.41 mmtonnes) increased by approximately 170 ktonnes, up 4%, mainly due to higher gasoil sales. The average market share as the first half of 2009 was 31.6%, up 1.8 percentage points from the first half of 2008 (29.8%).
Wholesale sales in Italy (4.66 mmtonnes) decreased by approximately 700 ktonnes, down 13.1%, mainly due to lower consumptions reflecting the economic downturn.

Retail sales in the rest of Europe (1.45 mmtonnes) decreased by approximately 160 ktonnes, or 9.9%, mainly reflecting a decline in demand, in particular in Germany and Eastern Europe.
Wholesale sales in the rest of Europe (1.76 mmtonnes) decreased by 160 ktonnes, mainly in Germany, Switzerland and Czech Republic.

Profit and loss account

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08		First Half 2008	First Half 2009	% Ch.
27,096	23,741	18,267	(32.6)	Net sales from operations [(a)]	55,388	42,008	(24.2)
237	360	141	(40.5)	Other income and revenues	408	501	22.8
(19,167)	(17,973)	(13,624)	28.9	Operating expenses	(39,506)	(31,597)	20.0
(2,443)	(2,178)	(2,410)	1.4	Depreciation, depletion, amortization and impairments	(4,389)	(4,588)	(4.5)
70	17	31	(55.7)	Other operating income (expense) [(b)]	69	48	(30.4)
5,793	**3,967**	**2,405**	**(58.5)**	**Operating profit**	**11,970**	**6,372**	**(46.8)**
(31)	(30)	(189)	..	Finance income (expense)	(130)	(219)	(68.5)
340	144	214	(37.1)	Net income from investments	869	358	(58.8)
6,102	**4,081**	**2,430**	**(60.2)**	**Profit before income taxes**	**12,709**	**6,511**	**(48.8)**
(2,470)	(1,971)	(1,390)	43.7	Income taxes	(5,482)	(3,361)	38.7
40.5	*48.3*	*57.2*		*Tax rate (%)*	*43.1*	*51.6*	
3,632	2,110	1,040	(71.4)	Net profit	7,227	3,150	(56.4)
				Attributable to:			
3,437	**1,904**	**832**	**(75.8)**	**- Eni**	**6,758**	**2,736**	**(59.5)**
195	206	208	6.7	- minority interest	469	414	(11.7)
3,437	**1,904**	**832**	**(75.8)**	**Net profit attributable to Eni**	**6,758**	**2,736**	**(59.5)**
(542)	91	(143)		Exclusion of inventory holding (gain) loss	(783)	(52)	
(640)	(236)	213		Exclusion of special items	(679)	(23)	
2,255	**1,759**	**902**	**(60.0)**	**Eni's adjusted net profit [(c)]**	**5,296**	**2,661**	**(49.8)**

(a) From January 1, 2009 Eni adopted IFRIC 13 "Customer Loyalty Programmes" providing that the award credits granted to clients within the related loyalty programmes should be accounted as a separate component of the basic sale transaction, evaluated at their fair value and recognized as revenues when redeemed. Prior period results have been restated accordingly.
(b) From year 2009, the Company accounts gain and losses on commodity derivatives instruments, including both fair value re-measurement and settled transactions, as items of operating profit. Adjusted operating profit and net profit only include gains and losses associated with settled transaction, gross and net of the associated tax impact respectively. Prior period results have been restated accordingly.
(c) For a detailed explanation of adjusted operating profit and adjusted net profit see page 25.

Non-GAAP measure

Reconciliation of reported operating profit and reported net profit to results on an adjusted basis
Management evaluates Group and business performance on the basis of adjusted operating profit and adjusted net profit, which are arrived at by excluding inventory holding gains or losses and special items. Further, finance charges on finance debt, interest income, gains or losses deriving from evaluation of certain derivative financial instruments at fair value through profit or loss as they do not meet the formal criteria to be assessed as hedges under IFRS, excluding commodity derivatives, and exchange rate differences are excluded when determining adjusted net profit of each business segment. The taxation effect of the items excluded from adjusted operating or net profit is determined based on the specific rate of taxes applicable to each of them. The Italian statutory tax rate of 34% is applied to finance charges and income (33% in previous reporting periods).
Adjusted operating profit and adjusted net profit are non-GAAP financial measures under either IFRS, or U.S. GAAP. Management includes them in order to facilitate a comparison of base business performance across periods and allow financial analysts to evaluate Eni's trading performance on the basis of their forecasting models. In addition, management uses segmental adjusted net profit when calculating return on average capital employed (ROACE) by each business segment.

The following is a description of items that are excluded from the calculation of adjusted results.

Inventory holding gain or loss is the difference between the cost of sales of the volumes sold in the period based on the cost of supplies of the same period and the cost of sales of the volumes sold calculated using the weighted average cost method of inventory accounting.

Special items include certain significant income or charges pertaining to either: (i) infrequent or unusual events and transactions, being identified as non-recurring items under such circumstances; or (ii) certain events or transactions which are not considered to be representative of the ordinary course of business, as in the case of environmental provisions, restructuring charges, asset impairments or write ups and gains or losses on divestments even though they occurred in past periods or are likely to occur in future ones. As provided for in Decision No. 15519 of July 27, 2006 of the Italian market regulator (CONSOB), non recurring material income or charges are to be clearly reported in the management's discussion and financial tables. Also, special items include gains and losses on re-measurement at fair value of certain non-hedging commodity derivatives, including the ineffective portion of cash flow hedges.

Finance charges or income related to net borrowings excluded from the adjusted net profit of business segments are comprised of interest charges on finance debt and interest income earned on cash and cash equivalents not related to operations. In addition gains or losses on the fair value evaluation of abovementioned derivative financial instruments, excluding commodity derivatives, and exchange rate differences are excluded from the adjusted net profit of business segments. Therefore, the adjusted net profit of business segments includes finance charges or income deriving from certain segment-operated assets, i.e., interest income on certain receivable financing and securities related to operations and finance charge pertaining to the accretion of certain provisions recorded on a discounted basis (as in the case of the asset retirement obligations in the Exploration & Production division). Finance charges or interest income and related taxation effects excluded from the adjusted net profit of the business segments are allocated on the aggregate Corporate and financial companies.

For a reconciliation of adjusted operating profit and adjusted net profit to reported operating profit and reported net profit see tables below.

(€ million)

First Half of 2009

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized profit in inventory	Group
Reported operating profit	**4,152**	**2,116**	**287**	**(454)**	**580**	**(177)**	**(187)**	**55**	**6,372**
Exclusion of inventory holding (gains) losses		294	(467)	108					(65)
Exclusion of special items:									
environmental charges		17	22			45			84
asset impairments	220		52	89		4			365
gains on disposal of assets	(167)	(5)	1		(1)	(2)			(174)
risk provisions			15			(4)			11
provision for redudancy incentives	5	8	8	3		2	12		38
re-measurement gains/losses on commodity derivatives	27	(377)	31	(3)	(10)				(332)
other						4			4
Special items of operating profit	**85**	**(357)**	**129**	**89**	**(11)**	**49**	**12**		**(4)**
Adjusted operating profit	**4,237**	**2,053**	**(51)**	**(257)**	**569**	**(128)**	**(175)**	**55**	**6,303**
Net finance (expense) income [(a)]	83	(12)				28	(318)		(219)
Net income from investments [(a)]	113	162	39		19				333
Income taxes [(a)]	(2,517)	(718)	(19)	48	(139)		27	(24)	(3,342)
Tax rate (%)	*56.8*	*32.6*	..		*23.6*				*52.1*
Adjusted net profit	**1,916**	**1,485**	**(31)**	**(209)**	**449**	**(100)**	**(466)**	**31**	**3,075**
of which:									
- adjusted net profit of Minority interest									414
- Eni's adjusted net profit									**2,661**
Eni reported net profit									**2,736**
Exclusion of inventory holding (gains) losses									(52)
Exclusion of special items									(23)
Eni's adjusted net profit									**2,661**

(a) Excluding special items.

(€ million)

First Half of 2008

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized profit in inventory	Group
Reported operating profit	**9,043**	**2,425**	**776**	**(263)**	**467**	**(141)**	**(107)**	**(230)**	**11,970**
Exclusion of inventory holding (gains) losses		(138)	(816)	(124)					(1,078)
Exclusion of special items:									
environmental charges		14	6			28			48
asset impairments	310		149	172		2			633
risk provisions						20			20
provision for redudancy incentives	2	7	6			1	11		27
re-measurement gains/losses on commodity derivatives	(102)	(11)					1		(112)
other	(1)	(2)	(12)	(1)		(12)	(9)		(37)
Special items of operating profit	**209**	**8**	**149**	**171**		**39**	**3**		**579**
Adjusted operating profit	**9,252**	**2,295**	**109**	**(216)**	**467**	**(102)**	**(104)**	**(230)**	**11,471**
Net finance (expense) income [(a)]	32	(8)				(12)	(142)		(130)
Net income from investments [(a)]	263	233	64	2	26				588
Income taxes [(a)]	(5,474)	(861)	(49)	52	(125)		107	84	(6,266)
Tax rate (%)	*57.3*	*34.2*	*28.3*		*25.4*				*52.5*
Adjusted net profit	**4,073**	**1,659**	**124**	**(162)**	**368**	**(114)**	**(139)**	**(146)**	**5,663**
of which:									
- adjusted net profit of Minority interest									367
- Eni's adjusted net profit									**5,296**
Eni reported net profit									**6,758**
Exclusion of inventory holding (gains) losses									(783)
Exclusion of special items									(679)
Eni's adjusted net profit									**5,296**

(a) Excluding special items.

(€ million)

Second Quarter of 2009

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized profit in inventory	Group
Reported operating profit	**1,778**	**863**	**47**	**(287)**	**310**	**(122)**	**(124)**	**(60)**	**2,405**
Exclusion of inventory holding (gains) losses		18	(258)	50					(190)
Exclusion of special items:									
environmental charges		15	15			45			75
asset impairments	220		46	89		3			358
gains on disposal of assets	(4)	(5)	2		(1)	(1)			(9)
risk provisions			15			(4)			11
provision for redudancy incentives	3	5	3	2		2	7		22
re-measurement gains/losses on commodity derivatives	67	(206)	24		(12)				(127)
other						4			4
Special items of operating profit	**286**	**(191)**	**105**	**91**	**(13)**	**49**	**7**		**334**
Adjusted operating profit	**2,064**	**690**	**(106)**	**(146)**	**297**	**(73)**	**(117)**	**(60)**	**2,549**
Net finance (expense) income [(a)]	50	(6)				(2)	(231)		(189)
Net income from investments [(a)]	125	62	4		11				202
Income taxes [(a)]	(1,231)	(249)	3	32	(82)		56	19	(1,452)
Tax rate (%)	*55.0*	*33.4*	*2.9*		*26.6*				*56.7*
Adjusted net profit	**1,008**	**497**	**(99)**	**(114)**	**226**	**(75)**	**(292)**	**(41)**	**1,110**
of which:									
- adjusted net profit of Minority interest									208
- Eni's adjusted net profit									**902**
Eni reported net profit									**832**
Exclusion of inventory holding (gains) losses									(143)
Exclusion of special items									213
Eni's adjusted net profit									**902**

(a) Excluding special items.

(€ million)

Second Quarter of 2008

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized profit in inventory	Group
Reported operating profit	**4,774**	**690**	**561**	**(231)**	**253**	**(94)**	**(32)**	**(128)**	**5,793**
Exclusion of inventory holding (gains) losses		(61)	(609)	(86)					(756)
Exclusion of special items:									
environmental charges		14				28			42
asset impairments	274		149	170		1			594
risk provisions						20			20
provision for redudancy incentives	1	4	4			1	6		16
re-measurement gains/losses on commodity derivatives	(86)	(16)	1				1		(100)
other	(1)	(2)	(9)	(1)		(12)	(9)		(34)
Special items of operating profit	**188**		**145**	**169**		**38**	**(2)**		**538**
Adjusted operating profit	**4,962**	**629**	**97**	**(148)**	**253**	**(56)**	**(34)**	**(128)**	**5,575**
Net finance (expense) income [(a)]	13	(3)		(1)		(12)	(28)		(31)
Net income from investments [(a)]	151	98	2	2	11				264
Income taxes [(a)]	(3,091)	(325)	(28)	50	(61)		45	52	(3,358)
Tax rate (%)	*60.4*	*44.9*	*28.3*		*23.1*				*57.8*
Adjusted net profit	**2,035**	**399**	**71**	**(97)**	**203**	**(68)**	**(17)**	**(76)**	**2,450**
of which:									
- adjusted net profit of Minority interest									195
- Eni's adjusted net profit									**2,255**
Eni reported net profit									**3,437**
Exclusion of inventory holding (gains) losses									(542)
Exclusion of special items									(640)
Eni's adjusted net profit									**2,255**

(a) Excluding special items.

(€ million)

First Quarter of 2009

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized profit in inventory	Group
Reported operating profit	**2,374**	**1,253**	**240**	**(167)**	**270**	**(55)**	**(63)**	**115**	**3,967**
Exclusion of inventory holding (gains) losses		276	(209)	58					125
Exclusion of special items:									
environmental charges		2	7						9
asset impairments			6			1			7
gains on disposal of assets	(163)		(1)			(1)			(165)
provision for redudancy incentives	2	3	5	1			5		16
re-measurement gains/losses on commodity derivatives	(40)	(171)	7	(3)	2				(205)
other						4			4
Special items of operating profit	**(201)**	**(166)**	**24**	**(2)**	**2**		**5**		**(338)**
Adjusted operating profit	**2,173**	**1,363**	**55**	**(111)**	**272**	**(55)**	**(58)**	**115**	**3,754**
Net finance (expense) income [(a)]	33	(6)				30	(87)		(30)
Net income from investments [(a)]	(12)	100	35		8				131
Income taxes [(a)]	(1,286)	(469)	(22)	16	(57)		(29)	(43)	(1,890)
Tax rate (%)	*58.6*	*32.2*	*24.4*		*20.4*				*49.0*
Adjusted net profit	**908**	**988**	**68**	**(95)**	**223**	**(25)**	**(174)**	**72**	**1,965**
of which:									
- adjusted net profit of Minority interest									206
- Eni's adjusted net profit									**1,759**
Eni reported net profit									**1,904**
Exclusion of inventory holding (gains) losses									91
Exclusion of special items									(236)
Eni's adjusted net profit									**1,759**

(a) Excluding special items.

Breakdown of special items

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
			Non-recurring charges (income):		
594	7	358	asset impairments	633	365
42	9	75	environmental charges	48	84
	(165)	(9)	gains on disposal of property, plant and equipment		(174)
20		11	risk provisions	20	11
16	16	22	provisions for redundancy incentives	27	38
(100)	(205)	(127)	re-measurement gains/losses on commodity derivatives	(112)	(332)
(34)		4	other	(37)	4
538	**(338)**	**334**		**579**	**(4)**
	(10)	**2**	**Net finance (expense) income**	**(185)**	**(8)**
			of which:		
			- gain on the disposal of GTT (Gaztransport et Technigaz sas)	*(185)*	
(1,178)	**112**	**(123)**	**Income taxes**	**(1,175)**	**(11)**
			of which:		
(537)		(27)	tax impact pursuant to Law decree No. 112 of June 25, 2008 for Italian subsidiaries	(537)	(27)
(443)			*- on inventories*	*(443)*	
(94)		*(27)*	*- on deferred taxes*	*(94)*	*(27)*
(290)			tax impact pursuant Budget Law 2008 for Italian subsidiaries	(290)	
(173)			adjustment to deffered tax for Libyan assets	(173)	
(40)			other tax items	(40)	
(138)	112	(96)	taxes on special items of operating profit	(135)	*16*
(640)	**(236)**	**213**	**Total special items of net profit**	**(781)**	**(23)**
			attributable to:		
			- Minority interest	(102)	
(640)	**(236)**	**213**	**- Eni**	**(679)**	**(23)**

Breakdown of impairment

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
508	7	324	Asset impairment	511	331
		23	Goodwill impairment		23
508	**7**	**347**	**Sub Total**	**511**	**354**
86		11	Impairment losses of receivables equivalent to fixed assets	122	11
594	**7**	**358**	**Impairment**	**633**	**365**

Adjusted operating profit

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	%Ch. 2 Q. 09 vs. 2 Q. 08		First Half 2008	First Half 2009	% Ch.
4,962	2,173	2,064	(58.4)	Exploration & Production	9,252	4,237	(54.2)
629	1,363	690	9.7	Gas & Power	2,295	2,053	(10.5)
97	55	(106)	..	Refining & Marketing	109	(51)	..
(148)	(111)	(146)	1.4	Petrochemicals	(216)	(257)	(19.0)
253	272	297	17.4	Engineering & Construction	467	569	21.8
(56)	(55)	(73)	(30.4)	Other activities	(102)	(128)	(25.5)
(34)	(58)	(117)	..	Corporate and financial companies	(104)	(175)	(68.3)
(128)	115	(60)		Impact of unrealized profit in inventory	(230)	55	
5,575	**3,754**	**2,549**	**(54.3)**		**11,471**	**6,303**	**(45.1)**

Net sales from operations

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	% Ch. 2 Q. 09 vs. 2 Q. 08		First Half 2008	First Half 2009	% Ch.
9,035	6,145	5,683	(37.1)	Exploration & Production	17,721	11,828	(33.3)
7,021	11,849	5,619	(20.0)	Gas & Power	16,971	17,468	2.9
13,281	6,386	7,735	(41.8)	Refining & Marketing	24,240	14,121	(41.7)
1,759	878	1,027	(41.6)	Petrochemicals	3,519	1,905	(45.9)
2,160	2,415	2,466	14.2	Engineering & Construction	4,211	4,881	15.9
44	26	21	(52.3)	Other activities	95	47	(50.5)
342	309	302	(11.7)	Corporate and financial companies	643	611	(5.0)
	(14)	(5)		Impact of unrealized profit in inventory		(19)	
(6,546)	(4,253)	(4,581)		Consolidation adjustment	(12,012)	(8,834)	
27,096	**23,741**	**18,267**	**(32.6)**		**55,388**	**42,008**	**(24.2)**

Operating expenses

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	% Ch. 2 Q. 09 vs. 2 Q. 08		First Half 2008	First Half 2009	% Ch.
18,136	16,983	12,537	(30.9)	Purchases, services and other	37,534	29,520	(21.4)
151	*9*	*101*		*of which: - other special items*	*190*	*110*	
1,031	990	1,087	5.4	Payroll and related costs	1,972	2,077	5.3
16	*16*	*22*		*of which: - provision for redundancy incentives and other*	*27*	38	
19,167	**17,973**	**13,624**	**(28.9)**		**39,506**	**31,597**	**(20.0)**

Non-hedging commodity derivative instruments

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
86	44	(66)	Exploration & Production	101	(22)
	4	*1*	*- settled transactions*	*(1)*	*5*
86	*40*	*(67)*	*- re-measurement gains/losses*	*102*	*(27)*
27	(36)	149	Gas & Power	25	113
11	*(207)*	*(57)*	*- settled transactions*	*14*	*(264)*
16	*171*	*206*	*- re-measurement gains/losses*	*11*	*377*
(54)	3	(66)	Refining & Marketing	(71)	(63)
(53)	*10*	*(42)*	*- settled transactions*	*(71)*	*(32)*
(1)	*(7)*	*(24)*	*- re-measurement gains/losses*		*(31)*
9	9	1	Petrochemicals	9	10
9	*6*	*1*	*- settled transactions*	*9*	*7*
	3		*- re-measurement gains/losses*		*3*
	(3)	16	Engineering & Construction		13
	(1)	*4*	*- settled transactions*		*3*
	(2)	*12*	*- re-measurement gains/losses*		*10*
2		(3)	Corporate and financial companies	5	(3)
3		*(3)*	*- settled transactions*	*6*	*(3)*
(1)			*- re-measurement gains/losses*	*(1)*	
70	**17**	**31**	**Total**	**69**	**48**
(30)	***(188)***	***(96)***	***- settled transactions***	***(43)***	***(284)***
100	***205***	***127***	***- re-measurement gains/losses***	***112***	***332***

Depreciation, depletion, amortization and impairments

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009	% Ch. 2 Q. 09 vs. 2 Q. 08		First Half 2008	First Half 2009	% Ch.
1,521	1,686	1,576	3.6	Exploration & Production	3,046	3,262	7.1
183	240	237	29.5	Gas & Power	366	477	30.3
106	99	98	(7.5)	Refining & Marketing	218	197	(9.6)
32	24	24	(25.0)	Petrochemicals	64	48	(25.0)
79	107	109	38.0	Engineering & Construction	154	216	40.3
(1)		1	..	Other activities	1	1	..
18	19	21	16.7	Corporate and financial companies	35	40	14.3
(3)	(4)	(3)		Impact of unrealized profit in inventory	(6)	(7)	
1,935	**2,171**	**2,063**	**6.6**	**Total depreciation, depletion and amortization**	**3,878**	**4,234**	**9.2**
508	**7**	**347**	**(31.7)**	**Impairments**	**511**	**354**	**(30.7)**
2,443	**2,178**	**2,410**	**(1.4)**		**4,389**	**4,588**	**4.5**

Net income from investments

(€ million)

First Half of 2009	Exploration & Production	Gas & Power	Refining & Marketing	Engineering & Construction	Group
Share of gains (losses) from equity-accounted investments	(5)	154	39	17	**205**
Dividends	110	8	16	2	**136**
Net gains on disposal				10	**10**
Other income (expense), net	7				**7**
	112	**162**	**55**	**29**	**358**

Income taxes

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009	Change
			Profit before income taxes			
1,102	1,595	467	Italy	3,133	2,062	(1,071)
5,000	2,486	1,963	Outside Italy	9,576	4,449	(5,127)
6,102	**4,081**	**2,430**		**12,709**	**6,511**	**(6,198)**
			Income taxes			
(236)	666	341	Italy	406	1,007	601
2,706	1,305	1,049	Outside Italy	5,076	2,354	(2,722)
2,470	**1,971**	**1,390**		**5,482**	**3,361**	**(2,121)**
			Tax rate (%)			
(21.4)	41.8	73.0	Italy	13.0	48.8	35.8
54.1	52.5	53.4	Outside Italy	53.0	52.9	(0.1)
40.5	**48.3**	**57.2**		**43.1**	**51.6**	

Summarized Group Balance Sheet

The summarized group balance sheet aggregates the amount of assets and liabilities derived from the statutory balance sheet in accordance with functional criteria which consider the enterprise conventionally divided into the three fundamental areas focusing on resource investments, operations and financing. Management believes that this summarized group balance sheet is useful information in assisting investors to assess Eni's capital structure and to analyze its sources of funds and investments in fixed assets and working capital. Management uses the summarized group balance sheet to calculate key ratios such as return on capital employed (ROACE) and the proportion of net borrowings to shareholders' equity (leverage) intended to evaluate whether Eni's financing structure is sound and well-balanced.

SUMMARIZED GROUP BALANCE SHEET

(€ million)

	Dec. 31, 2008	March 31, 2009	June 30, 2009	Change vs Dec. 31, 2008	Change vs Mar. 31, 2009
Fixed assets					
Property, plant and equipment	59,255	61,588	61,199	1,944	(389)
Other assets					
Inventory - Compulsory stock	1,196	1,444	1,607	411	163
Intangible assets	7,697	8,487	8,365	668	(122)
Equity-accounted investments and other investments	5,881	6,015	6,044	163	29
Receivables and securities for financing operating activities	1,219	1,275	1,204	(15)	(71)
Net payables related to capital expenditures	(787)	(630)	(548)	239	82
	74,461	**78,179**	**77,871**	**3,410**	**(308)**
Net working capital					
Inventories	6,082	4,533	5,477	(605)	944
Trade receivables	16,444	16,723	13,139	(3,305)	(3,584)
Trade payables	(12,590)	(11,563)	(10,634)	1,956	929
Tax payables and provisions for net defered tax liabilities	(5,323)	(6,933)	(4,345)	978	2,588
Provisions for contingencies	(9,506)	(9,516)	(9,225)	281	291
Other current assets and liabilities:					
Equity instruments	*2,741*	*3,034*		*(2,741)*	*(3,034)*
Other (a)	*(4,544)*	*(5,041)*	*(2,821)*	*1,723*	*2,220*
	(6,696)	**(8,763)**	**(8,409)**	**(1,713)**	**354**
Provisions for employee benefits	**(947)**	**(950)**	**(966)**	**(19)**	**(16)**
Net assets held for sale including related net borrowings	**68**	**68**	**68**		
Capital employed, net	**66,886**	**68,534**	**68,564**	**1,678**	**30**
Sahreholders' equity					
attributable to: - Eni	44,436	48,919	46,684	2,248	(2,235)
- Minority	4,074	3,087	3,525	(549)	438
	48,510	**52,006**	**50,209**	**1,699**	**(1,797)**
Net borrowings	**18,376**	**16,528**	**18,355**	**(21)**	**1,827**
Total liabilities and shareholders' equity	**66,886**	**68,534**	**68,564**	**1,678**	**30**

(a) Include receivables and securities for financing operating activities for €582 million at June 30, 2009 (€404 million at March 31, 2009; €410 million at December 31, 2008) and securities covering technical reserves of Eni's insurance activities for €269 million at June 30, 2009 (€381 million at March 31, 2009; €302 million at December 31, 2008).

Leverage and net borrowings

Leverage is a measure of a company's level of indebtedness, calculated as the ratio between net borrowings which is calculated by excluding cash and cash equivalents and certain very liquid assets from financial debt and shareholders' equity, including minority interests. Management makes use of leverage in order to assess the soundness and efficiency of the Group balance sheet in terms of optimal mix between net borrowings and net equity, and to carry out benchmark analysis with industry standards.

(€ million)

	Dec. 31, 2008	March 31, 2009	June 30, 2009	Change vs Dec. 31, 2008	Change vs Mar. 31, 2009
Total debt	20,837	18,800	19,873	(964)	1,073
Short-term debt	*6,908*	*5,536*	*5,682*	*(1,226)*	*146*
Long-term debt	*13,929*	*13,264*	*14,191*	*262*	*927*
Cash and cash equivalent	(1,939)	(1,845)	(1,340)	599	505
Securities not related to operations	(185)	(116)	(107)	78	9
Non-operating financing receivables	(337)	(311)	(71)	266	240
Net borrowings	**18,376**	**16,528**	**18,355**	**(21)**	**1,827**
Shareholders' equity including minority interest	**48,510**	**52,006**	**50,209**	**1,699**	**(1,797)**
Leverage	**0.38**	**0.32**	**0.37**	**(0.01)**	**0.05**

Bonds maturing in the 18-months period starting on June 30, 2009

(€ million)

Issuing entity	Amount at June 30, 2009 (a)
Eni SpA	501
Eni Coordination Center SA	373
	874

(a) Amounts in euro at June 30, 2009 include interest accued and discount on issue.

Bonds issued in the first half of 2009 (granted by Eni SpA)

Issuing entity	Nominal amount (million)	Currency	Amount at June June 30, 2009 (a) (€ million)	Maturity	Rate	%
Eni SpA	1,500	euro	1,519	2016	fixed	5.00
	1,000	euro	985	2015	variable	
	1,000	euro	984	2015	fixed	4.00
			3,488			

(a) Amounts in euro at June 30, 2009 include interest accued and discount on issue.

Comprehensive income

(€ million)

	First Half 2008	First Half 2009
Net profit (loss)	**7,227**	**3,150**
Other items of net comprehensive income (loss):		
- Foreign currency translation differences	(1,312)	(443)
- Change in the fair value of available-for-sale securities	2	
- Change in the fair value of cash flow hedge derivatives	(2,890)	(465)
- Minority interest		2
- Taxation effect of other items of the net profit (loss)	1,139	191
Other comprehensive income	***(3,061)***	***(715)***
Total comprehensive income	**4,166**	**2,435**
of which:		
- Eni	**3,713**	**2,035**
- minority interest	453	400

Changes in shareholders' equity

(€ million)

Shareholders' equity at December 31, 2008		**48,510**
Total comprehensive income	2,435	
Dividends paid to Eni shareholders	(2,355)	
Dividends paid by consolidated subsidiaries to minorities	(258)	
Acquisition of Distrigas minorities	(1,146)	
Cancellation of Distrigas put option	1,495	
Share capital increase subscribed by Snam Rete Gas minorities	1,542	
Other changes	(14)	
Total changes		**1,699**
Shareholders' equity at June 30, 2009		**50,209**
Attributable to:		
- Eni		**46,684**
- Minority interest		3,525

Return On Average Capital Employed (ROACE)

Return on Average Capital Employed for the Group, on an adjusted basis is the return on the Group average capital invested, calculated as ratio between net adjusted profit before minority interest, plus net finance charges on net borrowings net of the related tax effect, and net average capital employed. The tax rate applied on finance charges is the Italian statutory tax rate of 34% effective from January 1, 2009 (33% in previous reporting periods). The capital invested as of period-end used for the calculation of net average capital invested is obtained by deducting inventory gains or losses as of in the period, net of the related tax effect. ROACE by division is determined as the ratio between adjusted net profit and net average capital invested pertaining to each division and rectifying the net capital invested as of period-end, from net inventory gains or losses (after applying the division specific tax rate).

(€ million)

Calculated on a twelve-month period ending on **June 30, 2009**	**Exploration & Production**	**Gas & Power**	**Refining & Marketing**	**Group**
Adjusted net profit	**5,743**	**2,481**	**366**	**8,207**
Exclusion of after-tax finance expenses/interest income	-	-	-	**243**
Adjusted net profit unlevered	**5,743**	**2,481**	**366**	**8,450**
Adjusted capital employed, net				
- at the beginning of period	22,763	21,017	9,466	**60,454**
- at the end of period	30,489	23,614	8,539	**70,018**
Adjusted average capital employed, net	**26,626**	**22,316**	**9,003**	**65,236**
ROACE adjusted (%)	**21.6**	**11.1**	**4.1**	**13.0**

(€ million)

Calculated on a twelve-month period ending on **June 30, 2008**	**Exploration & Production**	**Gas & Power**	**Refining & Marketing**	**Group**
Adjusted net profit	**7,468**	**3,085**	**183**	**10,605**
Exclusion of after-tax finance expenses/interest income	-	-	-	**325**
Adjusted net profit unlevered	**7,468**	**3,085**	**183**	**10,930**
Adjusted capital employed, net				
- at the beginning of period	20,872	19,257	5,775	**51,418**
- at the end of period	22,763	20,892	8,490	**59,282**
Adjusted average capital employed, net	**21,818**	**20,075**	**7,133**	**55,350**
ROACE adjusted (%)	**34.2**	**15.4**	**2.6**	**19.7**

(€ million)

Calculated on a twelve-month period ending on **December 31, 2008**	**Exploration & Production**	**Gas & Power**	**Refining & Marketing**	**Group**
Adjusted net profit	**7,900**	**2,655**	**521**	**10,795**
Exclusion of after-tax finance expenses/interest income	-	-	-	**335**
Adjusted net profit unlevered	**7,900**	**2,655**	**521**	**11,130**
Adjusted capital employed, net				
- at the beginning of period	23,826	21,333	7,675	**59,194**
- at the end of period	30,362	22,273	8,260	**67,609**
Adjusted average capital employed, net	**27,094**	**21,803**	**7,968**	**63,402**
ROACE adjusted (%)	**29.2**	**12.2**	**6.5**	**17.6**

Summarized Group Cash Flow Statement and change in net borrowings

Eni's summarized group cash flow statement derives from the statutory statement of cash flows.
It enables investors to understand the link existing between changes in cash and cash equivalents (deriving from the statutory cash flows statement) and in net borrowings (deriving from the summarized cash flow statement) that occurred from the beginning of period to the end of period. The measure enabling such a link is represented by the free cash flow which is the cash in excess of capital expenditure needs. Starting from free cash flow it is possible to determine either: (i) changes in cash and cash equivalents for the period by adding/deducting cash flows relating to financing debts/receivables (issuance/repayment of debt and receivables related to financing activities), shareholders' equity (dividends paid, net repurchase of own shares, capital issuance) and the effect of changes in consolidation and of exchange rate differences; (ii) changes in net borrowings for the period by adding/deducting cash flows relating to shareholders' equity and the effect of changes in consolidation and of exchange rate differences. The free cash flow is a non-GAAP measure of financial performance.

SUMMARIZED GROUP CASH FLOW STATEMENT

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
3,632	**2,110**	**1,040**	**Net profit**	**7,227**	**3,150**
			Adjustments to reconcile to cash generated from operating profit before changes in working capital:		
2,130	2,078	1,878	- amortization and depreciation and other non monetary items	3,874	3,956
(12)	(157)	(8)	- net gains on disposal of assets	(207)	(165)
2,296	1,886	1,311	- dividends, interest, taxes and other changes	5,262	3,197
8,046	**5,917**	**4,221**	**Net cash generated from operating profit before changes in working capital**	**16,156**	**10,138**
103	1,167	871	Changes in working capital related to operations	(1,150)	2,038
(2,958)	(1,641)	(2,914)	Dividends received, taxes paid, interest (paid) received during the period	(5,056)	(4,555)
5,191	**5,443**	**2,178**	**Net cash provided by operating activities**	**9,950**	**7,621**
(3,641)	(3,147)	(3,697)	Capital expenditures	(6,759)	(6,844)
(165)	(2,039)	(175)	Investments and purchase of consolidated subsidiaries and businesses	(1,949)	(2,214)
145	182	3,093	Disposals	473	3,275
257	1,745	(2,258)	Other cash flow related to capital expenditures, investments and disposals	581	(513)
1,787	**2,184**	**(859)**	**Free cash flow**	**2,296**	**1,325**
(1,200)	102	368	Borrowings (repayment) of debt related to financing activities	(1,829)	470
1,423	(2,380)	1,057	Changes in short and long-term financial debt	2,110	(1,323)
(2,959)	(2)	(1,069)	Dividends paid and changes in minority interests and reserves	(3,158)	(1,071)
126	2	(2)	Effect of changes in consolidation and exchange differences	(15)	
(823)	**(94)**	**(505)**	**NET CASH FLOW FOR THE PERIOD**	**(596)**	**(599)**

CHANGE IN NET BORROWINGS

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
1,787	**2,184**	**(859)**	**Free cash flow**	**2,296**	**1,325**
			Net borrowings of acquired companies		
			Net borrowings of divested companies		
198	(334)	101	Exchange differences on net borrowings and other changes	624	(233)
(2,959)	(2)	(1,069)	Dividends paid and changes in minority interests and reserves	(3,158)	(1,071)
(974)	**1,848**	**(1,827)**	**CHANGE IN NET BORROWINGS**	**(238)**	**21**

CAPITAL EXPENDITURE

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
2,281	2,148	2,759	Exploration & Production	4,364	4,907
519	390	361	Gas & Power	969	751
201	85	132	Refining & Marketing	350	217
48	9	36	Petrochemicals	68	45
556	495	393	Engineering & Construction	977	888
11	6	8	Other activities	14	14
26	10	12	Corporate and financial companies	36	22
(1)	4	(4)	Impact of unrealized profit in inventory	(19)	
3,641	**3,147**	**3,697**	**Capital expenditure**	**6,759**	**6,844**

In the first half of 2009 capital expenditure amounting to €6,844 million (€6,759 million in the first half 2008) related mainly to:

- Development activities (€3,651 million) deployed mainly in Egypt, Kazakhstan, the United States, Italy, Nigeria and Angola and exploratory projects (€732 million) of which 96% was spent outside Italy, primarily in Libya, the United States, Egypt, and Indonesia;
- Development and upgrading of Eni's natural gas transport network in Italy (€400 million) and distribution network (€144 million), as well as development and increase of storage capacity (€132 million);
- Projects aimed at improving the conversion capacity and flexibility of refineries (€135 million), as well as building and upgrading service stations in Italy and outside Italy (€65 million);
- Upgrading of the fleet used in the Engineering & Construction division (€888 million).

Capital expenditure by division

EXPLORATION & PRODUCTION

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
297	**9**	**468**	**Acquisitions of proved and unproved property**	**621**	**477**
277	6	219	North Africa	601	225
13		73	West Africa	13	73
7	3	176	Rest of world	7	179
453	**380**	**352**	**Exploration**	**981**	**732**
49	21	5	Italy	71	26
90	113	121	North Africa	213	234
46	74	43	West Africa	139	117
64	24	33	North Sea	148	57
3	8	7	Caspian Area	7	15
201	140	143	Rest of world	403	283
1,510	**1,744**	**1,907**	**Development**	**2,729**	**3,651**
141	174	185	Italy	259	359
270	378	296	North Africa	542	674
474	387	544	West Africa	780	931
123	122	143	North Sea	212	265
224	243	286	Caspian Area	435	529
278	440	453	Rest of world	501	893
21	**15**	**32**	**Other**	**33**	**47**
2,281	**2,148**	**2,759**		**4,364**	**4,907**

GAS & POWER

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
352	371	339	Italy	766	710
167	19	22	Outside Italy	203	41
519	**390**	**361**		**969**	**751**
50	**24**	**31**	**Marketing and Power generation**	**82**	**55**
32	*10*	*16*	*- Marketing*	*41*	*26*
12		5	Italy	13	5
20	10	11	Outside Italy	28	21
18	*14*	*15*	*- Power generation*	*41*	*29*
322	**357**	**319**	**Regulated businesses in Italy**	**712**	**676**
210	*237*	*163*	*- Transport*	*529*	*400*
53	*65*	*79*	*- Distribution*	*85*	*144*
59	*55*	*77*	*- Storage*	*98*	*132*
147	**9**	**11**	**International transport**	**175**	**20**
519	**390**	**361**		**969**	**751**

REFINING & MARKETING

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
178	77	117	Italy	318	194
23	8	15	Outside Italy	32	23
201	**85**	**132**		**350**	**217**
138	**48**	**87**	**Refining, Supply and Logistic**	**251**	**135**
138	48	87	Italy	251	135
53	**26**	**39**	**Marketing**	**81**	**65**
30	18	24	Italy	49	42
23	8	15	Outside Italy	32	23
10	**11**	**6**	**Other activities**	**18**	**17**
201	**85**	**132**		**350**	**217**

Exploration & Production

PRODUCTION OF OIL AND NATURAL GAS BY REGION

Second Quarter 2008	First Quarter 2009	Second Quarter 2009			First Half 2008	First Half 2009
1,772	**1,779**	**1,733**	**Production of oil and natural gas** [(a)(b)]	(kboe/d)	**1,784**	**1,756**
204	174	169	Italy		205	171
652	595	567	North Africa		639	581
305	330	343	West Africa		315	337
249	242	232	North Sea		243	237
124	132	133	Caspian Area		131	133
238	306	289	Rest of world		251	297
156.9	**154.2**	**154.2**	**Oil and natural gas sold** [(a)]	(mmboe)	**313.9**	**308.4**

PRODUCTION OF LIQUIDS BY REGION

Second Quarter 2008	First Quarter 2009	Second Quarter 2009			First Half 2008	First Half 2009
998	**1,013**	**986**	**Production of liquids** [(a)]	(kbbl/d)	**1,005**	**1,000**
70	55	56	Italy		71	55
346	304	289	North Africa		340	297
259	294	304	West Africa		269	299
145	139	130	North Sea		143	134
82	84	87	Caspian Area		86	86
96	137	120	Rest of world		96	129

PRODUCTION OF NATURAL GAS BY REGION

Second Quarter 2008	First Quarter 2009	Second Quarter 2009			First Half 2008	First Half 2009
4,442	**4,398**	**4,290**	**Production of natural gas** [(a)(b)]	(mmcf/d)	**4,472**	**4,344**
771	685	648	Italy		770	666
1,755	1,671	1,593	North Africa		1,718	1,632
263	210	230	West Africa		261	220
598	591	584	North Sea		574	588
239	276	263	Caspian Area		261	269
816	965	972	Rest of world		888	969

(a) Includes Eni's share of production of equity-accounted entities.
(b) Includes volumes of gas consumed in operations (295 and 285 mmcf/d in the second quarter 2009 and 2008, respectively, 299 and 284 mmcf/d in the first half of 2009 and 2008 respectively and 289 mmcf/d in the first quarter of 2009).

Petrochemicals

(ktonnes)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
			Sales of petrochemical products		
678	474	570	Basic petrochemicals	1,437	1,044
257	199	233	Styrene and elastomers [(a)]	519	432
368	329	313	Polyetylene	721	642
1,303	**1,002**	**1,116**		**2,677**	**2,118**
1,979	**1,540**	**1,714**	**Production**	**4,136**	**3,254**

(a) From January 2009, results of the styrene business are reported within the Basic petrochemicals

Engineering & Construction

(€ million)

Second Quarter 2008	First Quarter 2009	Second Quarter 2009		First Half 2008	First Half 2009
			Orders acquired		
1,838	561	1.303	*Offshore construction*	3,419	1,864
591	1,621	719	*Onshore construction*	1,055	2,340
82	316	15	Offshore drilling	213	331
705	20	513	Onshore drilling	784	533
3,216	**2,518**	**2,550**		**5,471**	**5,068**

(€ million)

	Dec. 31, 2008	June 30, 2009
Order backlog	**19,105**	**19,015**