2012-2015 Strategy

15 March 2012
**eni**: well-positioned to deliver a decade of sustainable growth

<table>
<thead>
<tr>
<th>2011</th>
<th>2012-2015</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>E&amp;P</strong></td>
<td><strong>Confirmed growth profile</strong>&lt;br&gt;- Start-up of giants with long plateau&lt;br&gt;- Increased investment in exploration</td>
<td></td>
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<tr>
<td>- Libya restart&lt;br&gt;- Strengthened resource base</td>
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<tr>
<td><strong>G&amp;P</strong></td>
<td><strong>Recover profitability in a difficult market</strong>&lt;br&gt;- Consolidate competitiveness of supply&lt;br&gt;- Focus on key segments and markets</td>
<td></td>
</tr>
<tr>
<td>- Improved supply&lt;br&gt;- Growth in key markets</td>
<td></td>
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</tr>
<tr>
<td><strong>R&amp;M Chemicals</strong></td>
<td><strong>Continued efficiency</strong>&lt;br&gt;- Integration of refinery system, consolidation of marketing&lt;br&gt;- Refocusing chemicals portfolio on added-value products</td>
<td></td>
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<tr>
<td>- Streamlined operations</td>
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</table>
E&P: consistent exploration success ...

- Sangos-Ngoma (Angola)
- Kitan (JPDA)
- Culzean (UK)

- Sankofa (Ghana)
- Perla (Venezuela)
- Cabaca Norte (Angola)
- Area D (Libya)
- Heidelberg (US)

- Perla (Venezuela)
- Jangkrik (Indonesia)
- Sankofa (Ghana)
- Cabaca Sud Est
- Mpungi (Angola)

- Mamba South (Mozambique)
- Skrugard (Norway)
- Hadrian Nord (US-GOM)
- Jangkrik NE (Indonesia)
- Lira 1 (Angola)
- Gye Nyame 1 (Ghana)

2008-2011 ~4bn boe of new exploration resources
... drives organic growth, in the plan period...

>3% CAGR 2011-15 in a higher oil price scenario

- Strong contribution from exploration successes
- Confirmed focus on giant, conventional projects
- Increased exposure to oil
- Best-in-class operating costs
- IRR of new projects over 20%

Adjusting for force majeure in Libya in 2012 (180k boe/d)

... and beyond

- **Production growth**

  - kboe/d

  - ~3%

- **Russia and Caspian**
  - Yamal giants, Kashagan ramp up, further potential from Kashagan development

- **Sub-Saharan Africa**
  - Major contribution from Angola Block 15/06 and Mozambique, additional exploration potential

- **Far East**
  - Junin 5 & Perla FF developments

- **Latin America**
  - Resilient contribution driven by Barents Sea

- **Europe and North America**

- **North Africa and ME**

- **Price scenario**: 85$/bbl 2015; +2%/year afterwards

- **2015-21 CAGR increased from 2% to 3%**
**G&P: positioned to tackle difficult short term scenario...**

**2011 EBITDA pro-forma adjusted***
(€ mln)

- TAG/TENP/Transitgas
- Snam
- Other G&P

**Marketing: facing difficult scenario**
- Slower than expected demand growth
- Spot/LT differential remains significant in 2012

**eni 2012-2015 strategy**
- Leverage on more competitive supply portfolio to grow market share in Italy and key European markets
- Further increase exposure to more resilient retail segment
- Capture benefits of market volatility through enhanced trading capabilities

**Gradual recovery in profitability**

- TMPC, TTPC, Greenstream, BSPC, other regulated business
- Stable profitability and cash flow throughout the plan

* Adjusted for outcome of renegotiations and Libya impact
... and capture medium-term recovery opportunities

**European demand recovery:**

- **Strong European market position**
  - Consolidated brand
  - Expertise in innovative offering structure

- **Diversified and flexible supply portfolio**
  - Competitive cost position in tightened market
  - Increased equity gas supply

- **New profit opportunities**
  - Enhanced LNG presence
  - Cross-regional and cross-commodities synergies in trading

**Tightening supply capacity:**

- Economic growth
- Energy/environmental policies

- Increasing Far East demand
- Increasing MENA domestic gas consumption
- Declining European domestic production
- Limited LNG capacity for the Atlantic basin

**Long-term scenario**

![Chart showing European demand recovery](chart.png)

**EU 27 (bcm)**

- 2010: ~8%
- 2011: ~18%
- 2015: ~18%
- 2020: ~18%
R&M: increasing efficiency and complexity

- Refining: a cyclical business in a difficult short term scenario
- Increased focus on complexity and efficiency to benefit from potential scenario recovery
  - EST completion by 2012
  - Increased system integration
  - Exploit flexibility and asset-backed trading

- Marketing: confirming profitability
  - Consolidation of Italian leadership
  - Network enhancement and automation
  - Expansion of non-oil activities

Optimisation & efficiency + €400m

Italian retail market share >30%
Chemicals: a new turnaround strategy

- Enhanced differentiation
  - Increase revenues from added value products from <30% to >40%

- International expansion
  - > 10% of revenues from outside Europe by 2015
  - Licensing, production alliances/JVs

- More efficient and integrated
  - Savings >€200m by 2015

Regaining competitiveness within chemicals business

2015 target
> €400m of EBIT at constant scenario
Enhanced value creation opportunities from non-core listed assets

Separation by September 2013

- Benefits to \textit{eni} shareholders
- Protection of the interests of Snam shareholders
- Consolidation of \textit{eni} balance sheet

Non-core shareholding

- High potential business, with exciting positions in Brazil, Mozambique
- Upside from market value recovery
Exploration & Production

Claudio Descalzi
E&P strategic goals and drivers

- Strong focus on exploration strategy and execution
- Fast time-to-market of exploration discoveries
- Rapid and efficient development of project pipeline
- Effective reservoir management and production optimization activities
- Leading-edge technology to fight depletion of giant fields

Organic growth & value creation

Managing uncertainties

- Consolidate and deploy competencies and technology
- Increase direct control of assets through operatorship
- Maintain geographical diversification
- Phase financial exposure in large-scale, complex projects
HSE results

**Lost time injury frequency rate***

<table>
<thead>
<tr>
<th></th>
<th>Avg 2007-2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>0.66</td>
<td></td>
</tr>
<tr>
<td>Contractor</td>
<td>0.77</td>
<td></td>
</tr>
<tr>
<td>Global</td>
<td>0.73</td>
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</table>

Drilled wells per year

<table>
<thead>
<tr>
<th>Year</th>
<th>Drilled wells per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>250</td>
</tr>
<tr>
<td>2008</td>
<td>327</td>
</tr>
<tr>
<td>2011</td>
<td>437</td>
</tr>
</tbody>
</table>

Blow-out frequency (per thousand)

<table>
<thead>
<tr>
<th>Year</th>
<th>Blow-out frequency (per thousand)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>0.00</td>
</tr>
<tr>
<td>2008</td>
<td>0.00</td>
</tr>
<tr>
<td>2011</td>
<td>0.00</td>
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</tbody>
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* n. of LTI/Min of worked hours
Exploration Objectives

- Materiality and cost-effectiveness
- Short time to market
- Focus on emerging basins

Drivers

- **GoM (USA)**  
  - Large upside

- **Barents Sea (Norway)**  
  - High potential in profitable gas market

- **West Africa**  
  - Transform margin play in Ghana, Togo, Liberia
  - Pre-salt play in Angola, Congo, RDC

- **East Africa Gas (Mozambique)**  
  - Exploit full potential of tertiary plays in the Rovuma basin

- **Near field exploration**

- **Pacific gas (Indonesia and Australia)**  
  - Large upside

Maintaining leadership on discovered volumes and unit exploration costs
focus on exploration: Norway - Barents sea

**Discoveries**
- 500 Mbbl of recoverable oil in Skrugard and Havis

**2012-2015 work program**
- Resources upside in the area: 500 mboe
- 8 wells in the Barents Sea: €220m equity investments

**Synergies**
- Havis/Skrugard hub servicing 50 km radius
- Onshore services

**Additional prospectivity**
- 12 blocks for an acreage of 4,600 sqkm
- With Statoil, maintain leadership position in the next round
focus on exploration: Mozambique – Rovuma basin

Mamba discovery
- Gas in place estimate at 30 Tcf
- High gas quality
- Expected rate in production configuration up to 140 mmsfcd per well

2012-2015 work program
- Up to 8 exploration and appraisal wells
- 2,000 sqkm of 3D and 2,100 sqkm 2D seismic
- €400m expected equity investments

Synergies
- Unitization of Mamba complex with Area 1
- Evaluation of additional stand-alone resources in Area 4
focus on exploration: Pacific Area

Discoveries
- ~700 Mboe already discovered in Australia and Indonesia

2012-2015 work program
- Resources upside: ~500 Mboe
- 24 wells: €300m equity investments

Synergies
- Indonesia: Jangkrik hub
- Australia: upstream development and synergies with LNG facilities

Additional prospectivity
- 16,000 sqkm of new acreage added in 2011
exploration capex

2012-2015

bln €

2011-14  3.6
2012-15  5.5

+~50%

By area

- North Africa: 17%
- Sub Saharan Africa: 41%
- America: 15%
- Indonesia/Australia: 9%
- Europe: 4%
- Others: 13%

By type

- Frontiers plays: 30%
- Proven basins: 30%
- Near field: 40%
time to market: from resources to production...

**Total resources**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>bln boe</td>
<td>31.0</td>
<td>32.1</td>
</tr>
</tbody>
</table>

- **2P reserves**
- **Other reserves/resources**

**Brent ($/boe)**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>2P reserves</td>
<td>79</td>
<td>111</td>
</tr>
<tr>
<td>Other reserves/resources</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Life index (years)**

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
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<tbody>
<tr>
<td>2P reserves</td>
<td>47</td>
<td>50</td>
</tr>
<tr>
<td>Other reserves/resources</td>
<td></td>
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**2009-2011 discoveries**

- Mozambique: 38%
- <4 years: 7%
- 5-8 years: 55%

*90% with first oil in production in <8 years*

* P1 + P2 + P3 + contingent resources + risked exploration
Main start-ups

4-year plan start-ups: ~700 kboed @ 2015

- 2012-2015
- Beyond 2015

Hubs
Yamal Nenets region: new gas giants

- Samburgskoye and Urengoskoye sanctioned in 2011
  - GSA signed with Gazprom
  - Samburgskoye start up confirmed 2012
Barents Sea: Goliat first oil development

- First oil development in the Barents Sea
- Subsea templates installation campaign completed in 2011 and ready for drilling
- FPSO delivery in 2013
Kazakhstan: near-term growth and significant long-term potential

Kazakhstan
- Kashagan EP
  - Construction completion and commissioning ongoing
  - Tranches 1&2 progress for KCP: 99%, in line with commercial production start up within 2012

- Karachaganak
  - Previous development phases currently producing >100 kboed equity
  - Agreed settlement with Republic of Kazakhstan

Production (kboed, equity)

Kazakhstan: near-term growth and significant long-term potential
Venezuela: super giants with long-term plateau

- **Perla**
  - Gas Sales Agreement and FID for Phase 1 achieved in 2011
  - Phase 1: construction and installation of three offshore platforms, 60-km pipeline to shore, onshore processing facility

- **Junín EP**
  - Finalizing all the major engineering contracts
  - Seeking anticipated early production in 2012, using synergies with PDVSA existing facilities
Sub-Saharan: legacy area with further growth prospects

Block 15/06 West Hub

- Development of Sangos, Ngoma, Cinguvu fields (1,250-1,450m water depth)
- 16 wells (10 producers, 6 injectors)
  - First drilling campaign: ongoing
- FPSO will be delivered in 1Q 2014

Production* (kboed, equity)

* exploration potential excluded
investment plan

Capex 2012-2015

By area

- N. Africa/M. East: 27%
- Europe: 22%
- America: 10%
- Asia Pacific: 6%
- Central Asia/Russia: 5%
- West Africa: 3%

By type

- Onshore: 39%
- Offshore: 36%
- Deepwater: 15%
- Other: 5%

Mozambique: 14% increase

€ bln

2011-14
- Development: 33.7
- Exploration: 3.6
- Other: 1.8

2012-15
- Development: 37.6
- Exploration: 3.1
- Other: 5.5
our commitment: production

Organic production growth

- Strong production growth of over 3% a year to 2015 adjusted for Libya in 2011
- Resilient to oil price increases: 2011-2015 CAGR at 100$/bbl ~3%
- Long-term growth target raised from ~2% to ~3%

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<tbody>
<tr>
<td></td>
<td>90</td>
<td>85</td>
<td>+2%</td>
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</table>
our commitment: value

Cash flow

<table>
<thead>
<tr>
<th>CF/boe (%)</th>
<th>2010</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent avg  ($/boe)</td>
<td>85</td>
<td>85</td>
</tr>
</tbody>
</table>

NPV 2P by areas

- Sub-Saharan Africa: 31%
- North Africa: 19%
- Europe & America: 25%
- Asia & Pacific: 25%

Solid cash generation
Gas & Power

Umberto Vergine
European gas market: a difficult short term environment...

**Supply**
- Increasing capacity from Russia (North Stream)
- Availability of lower-priced make up gas
- No additional LNG capacity from Qatar
- Continued domestic production decrease

**Demand**
- Weak economic situation in Europe impacting industrial clients
- Increased competition in powergen from renewable sources
- Relatively stable demand from residential customers

**Persisting oversupply in Europe in the near term**
**Spot-LT price differential remains significant**
**Continuing competitive pressure**
... gradually rebalancing in the medium term

**Americas**
- North American production continues to expand
- Effect of North American exports limited and subject to regulatory uncertainty
- Increasing Latin American demand for spot LNG

**Europe**
- Demand recovery (+60 bcm 2015 vs. 2011)
- Domestic production decline (-17 bcm)
- Marginal shale gas contribution
- Increased interconnectivity opens new market opportunities (11 new projects)

**Pacific Basin**
- Demand escalation in emerging markets (+89 bcm)
- New high-cost liquefaction capacity from Australia (+15 bcm) fully absorbed in the region
- Premium prices attract supply from Atlantic basin

**Mena**
- Increasing domestic consumption in North Africa
- Qatari production at 2011 levels

**Progressive tightening in European market to 2015**
**Further market improvement beyond**
**Objective**

- Alignment between *eni* cost position and average costs of supply in the market

**Implementation**

- Negotiation of market-like prices in long-term contract price revisions

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**Price** + **Flexibility** = **Market reflectivity**

- Improved and faster responsiveness to market changes

- Reduction of minimum volumes, possibility to reopen negotiations if required

- Foundation for competitive positioning in the market
... to grow sales to business customers...

- Dedicated and capillary direct sales force to grow position in Italy and key European countries

- Tailor made offers for different segments

- Energy intensive customers
  - Multi-country approach
  - Flexible contractual structures
  - Risk management services
  - Market reflective pricing

- Small and medium enterprises
  - Specific offers to reflect market segmentation
  - High quality post-sale service
... and increase exposure to the retail segment

- Larger retail presence in Italy and Europe
  - Organic growth
  - Selected M&A opportunities

- Well-proven commercial mix
  - Single brand identity
  - Distinctive product portfolio
  - Customer driven innovation
  - Competitive cost to serve

- Well-balanced sales channels
  - Agents
  - Teleselling
  - iweb
  - eni energy stores

- Best In Class program ongoing
  - Marketing & IT innovation
  - Communication & brand awareness
  - Customer care operations

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**Increasing penetration into more resilient customer segments**
gradual recovery in profitability

**Marketing**
- Supply cost improvement
- Benefit from retroactive renegotiations in 2012
- Impact of retail tariff revision in Italy
- Development of integrated trading activities

**International transport**
- Resilient profitability despite disposal of European pipelines

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**Pro-forma adj. EBITDA**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2015</th>
</tr>
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<tbody>
<tr>
<td>Value</td>
<td>2.6</td>
<td></td>
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Financial Outlook

Alessandro Bernini, CFO
Snam deconsolidation: a resulting strong capital structure

**Net debt**
- **bln €**
  - **eni**: 9.9
  - **Snam**: 11.2
  - **Mkt value of eni’s stake**: 6.9

**Capital employed**
- **bln €**
  - **Mkt value of eni’s stake**: 6.9
  - **Snam**: 15.4

**eni** D/E 0.46x
- Snam deconsolidation 0.30x
- Including cash-in <0.20x

**eni** ROACE 9.8%
- Snam deconsolidation 10.4%
- Including cash-in 11.4%

* data at year-end 2011
2012-2015 capex: supporting stronger growth

bln €

- **2011-14 capex plan**
  - Snam: 53.3
  - Others: 2.4
  - Forex effect: 1.4
- **Forex effect**
  - Mozambique OPL245
  - Jangkrik
  - Skrugard/Havis
- **E&P**
  - Snam: 6.7
  - Others: 0.5
  - Forex effect: -1.1
  - Total: 7.2
- **Others**
  - Snam: 59.6
  - Others: 2.8
  - Total: 7.2

---

**2012-15 capex plan**

- **Snam**: 44.7
- **Others**: 2.3
- **Total**:
  - Uncommitted
  - Committed

**Regions**

- Europe/North America
- Sub Sahara
- Far East
- Latam
- North Africa/ME
- Russia/Caspian
- Uncommitted
- Committed
- Snam

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**Legend**

- Others
- Saipem
- R&M
- G&P
- E&P
Focus on projects for integration, efficiency and energy saving
Targeted investment to boost organic growth in existing/new profitable businesses
Almost €600m of savings achieved in 2011

4-year target increased by €600m, mainly in R&M and Chemicals
increasing cash flow to support investments and reduce debt

- Organic cash-flow more than covers capex requirements
- Net debt to equity <40% within the plan period at constant perimeter
- Additional cash-inflows expected from disposals
- Impact of Snam deconsolidation on free cash-flow broadly neutral

* @ 90$/bl in 2012-13; 85$/bl in 2014-15
a sustainable dividend policy

- 2011: dividend +4% in line with our policy
- Dividend policy of growth in line with inflation sustainable throughout the four-year plan
Closing remarks

Paolo Scaroni, CEO
entering a new growth phase

A decade of faster, sustainable growth
- Raised production targets to 2015 and beyond
- Increased exploration effort in highly promising basins

Consolidation of leading position in Europe
- Improved competitiveness of supply
- Medium-term recovery leveraging on secular gas demand growth

Restructuring potential
- Continuous focus on efficiencies
- Profit enhancement through integration, innovation and portfolio refocusing

Potential value creation from disposals