



# interim update and Q2 results

August 1st, 2012

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## **Snam disposal**

- Agreed disposal of 30% of Snam to CdP for €3.5bn
- Successful placement of further 5% at favourable conditions

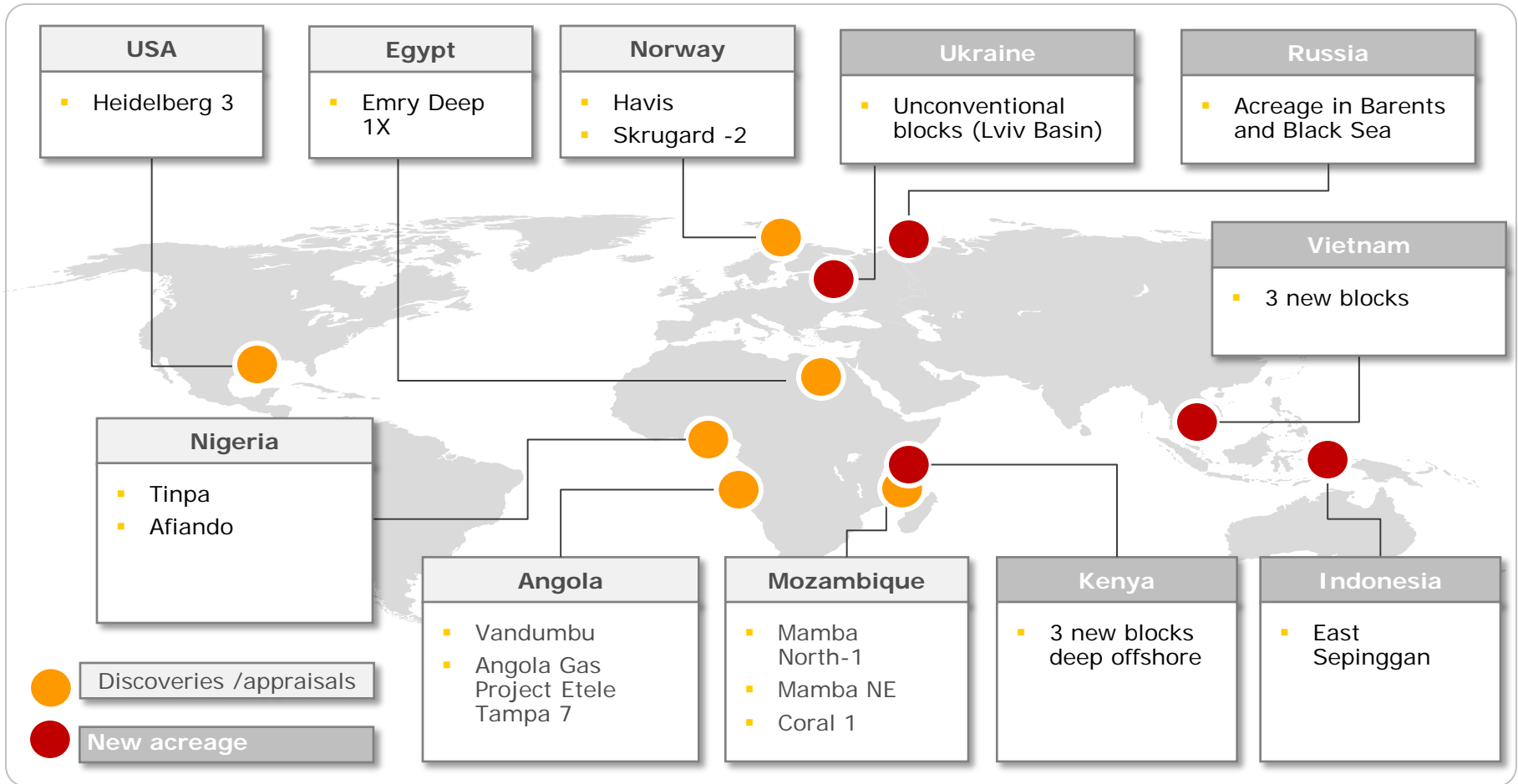
## **Galp disposal**

- Completed sale of 5% of Galp at €14.25/sh
- Increased optionality following exit from shareholder pact

## **Shareholder remuneration**

- Authorised to launch new buyback programme from Q1 2013
- Confirmed dividend policy: interim proposal of €0.54/sh

# ... and continuing extraordinary exploration success



**2.2 bn boe of new resources, UEC of 0.5\$/boe  
75k Sqkm of new acreage**



# H1 2012: good performance in a worsening economic situation

## E&P

- Resilient oil price and strong dollar

- Production growth driven by swift recovery in Libyan volumes

## G&P

- Demand hit by economic recession and coal, renewable competitiveness
- Supply costs reflecting high oil prices

- Reflecting market weakness in supply renegotiations
- Strong focus on retail market growth
- Expansion of LNG sales into premium markets

## R&M and Chemicals

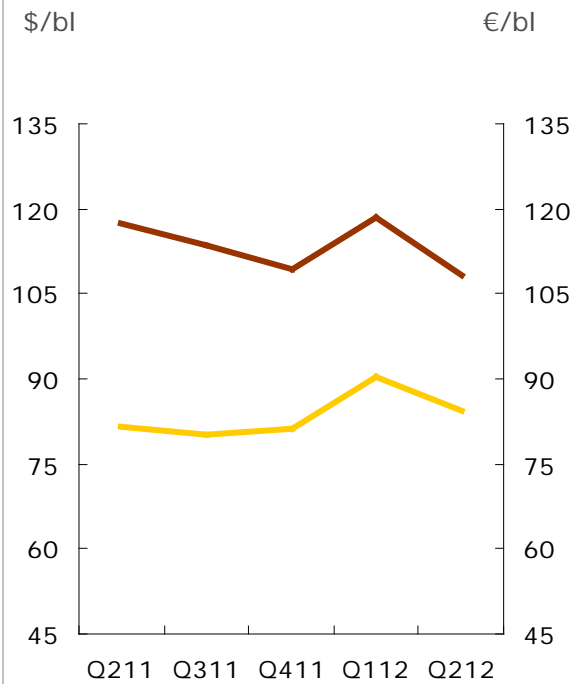
- Italian demand for refined products down ca.10%
- Slowdown in industrial activities reduces consumption of base chemicals

- Rotating refining capacity reductions
- Continued focus on cost cutting (R&M savings of €90m in 2012)
- Chemicals turnaround strategy ongoing

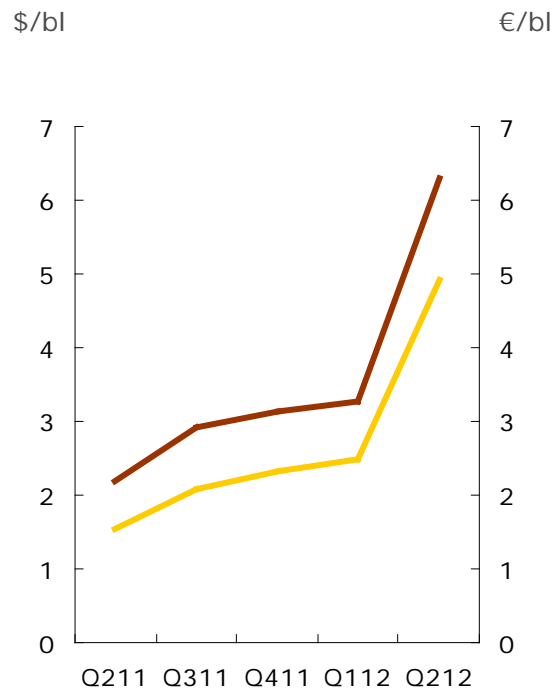


# market environment

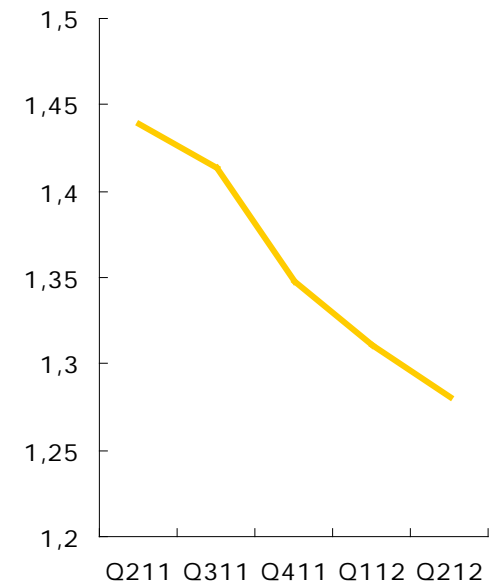
## Brent



## Average European refining margin\*



## €/€ exchange rate



■ USD ■ Euro

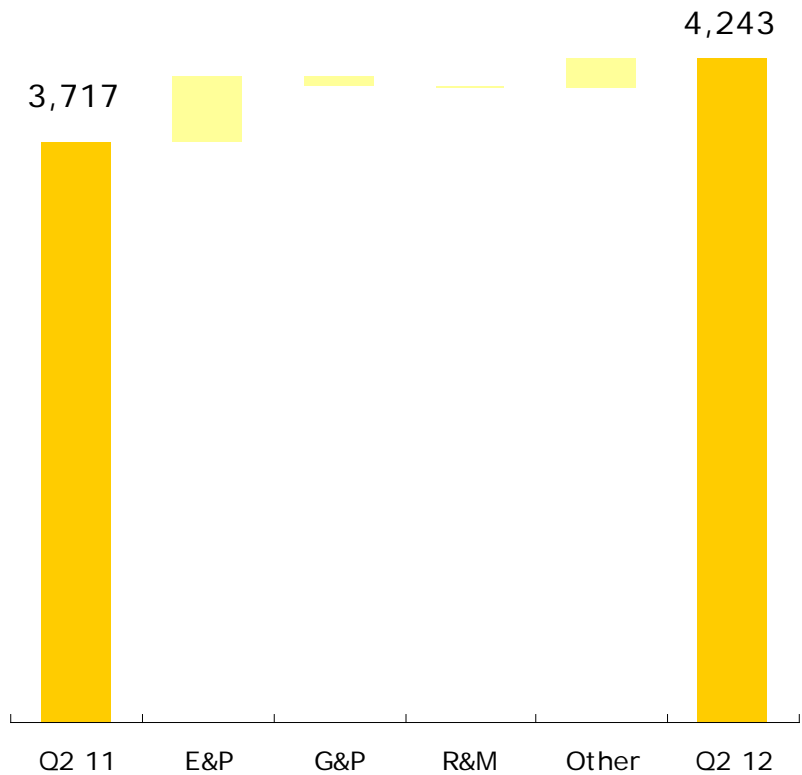


\* Brent/Ural FOB Mediterranean market. Eni calculations on Platt's Oilgram data

# Q2 consolidated results

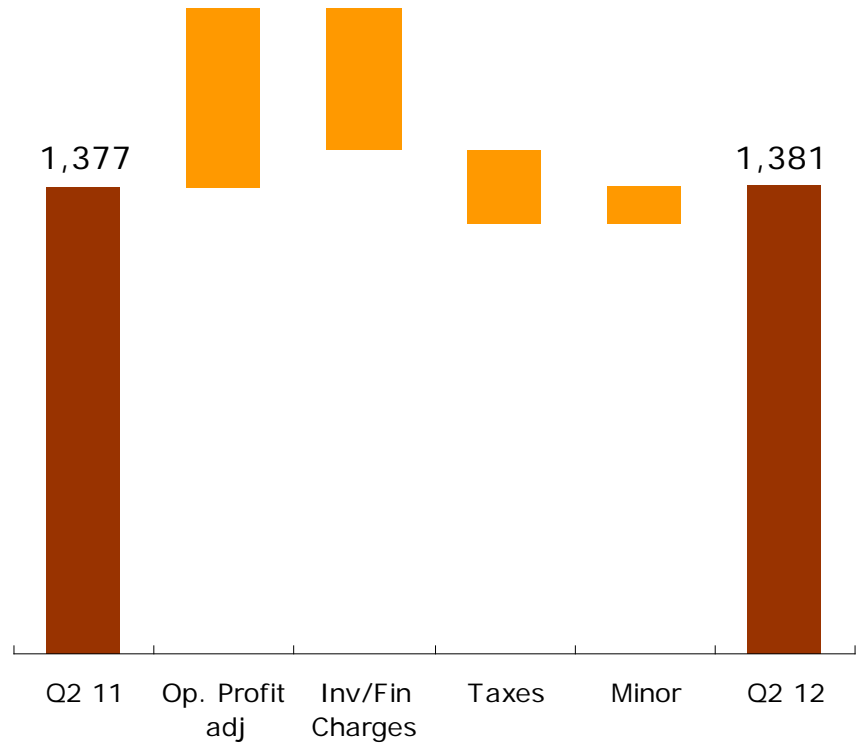
## Adj. operating profit

Million €



## Adj. net profit\*

Million €



\* From continuing operations.

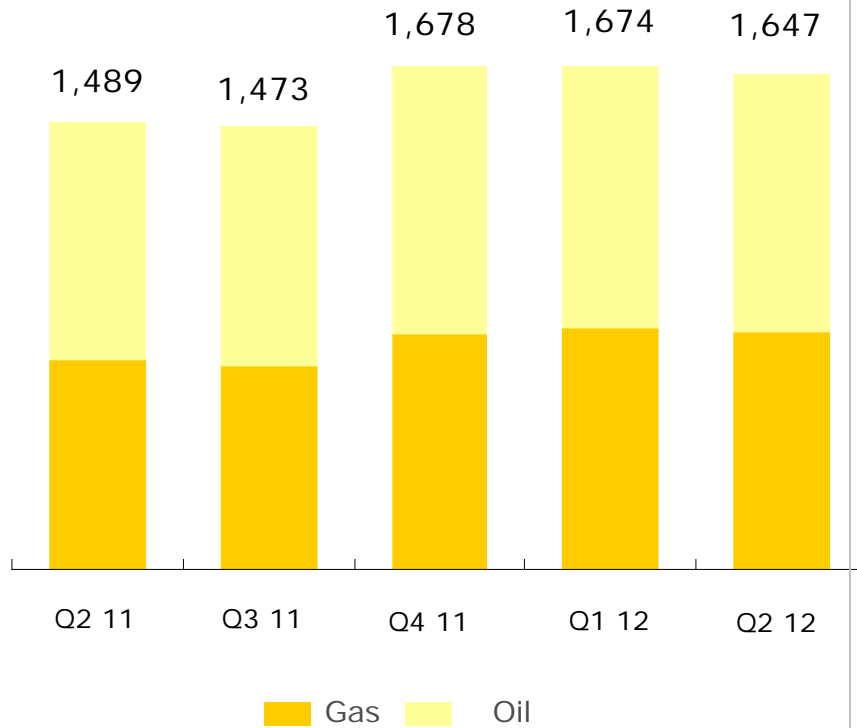
Adj. net profit from discontinued operations: € 76m



# E&P performance

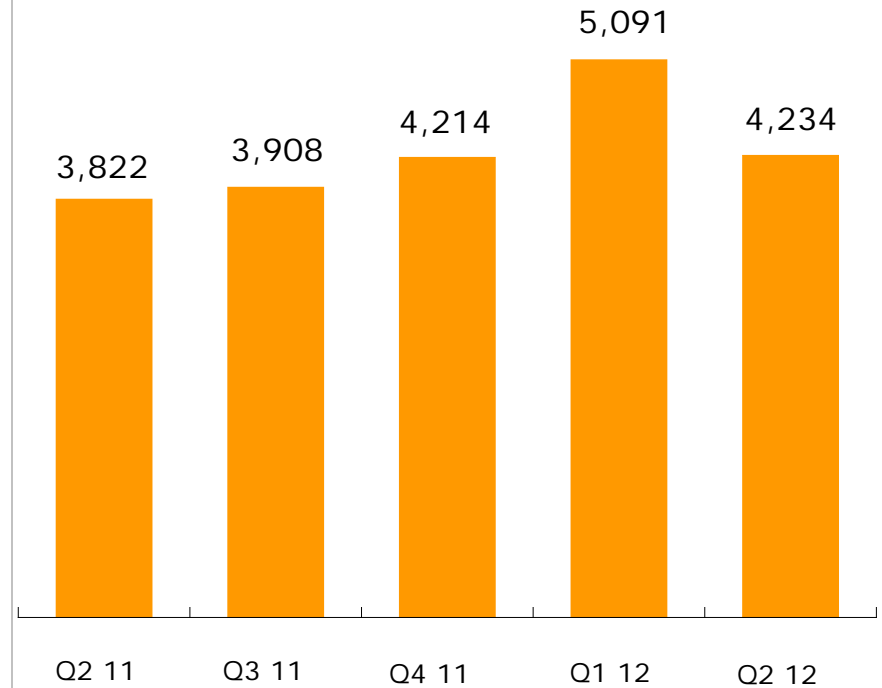
## Oil & gas production

kboe/d



## Adj. operating profit

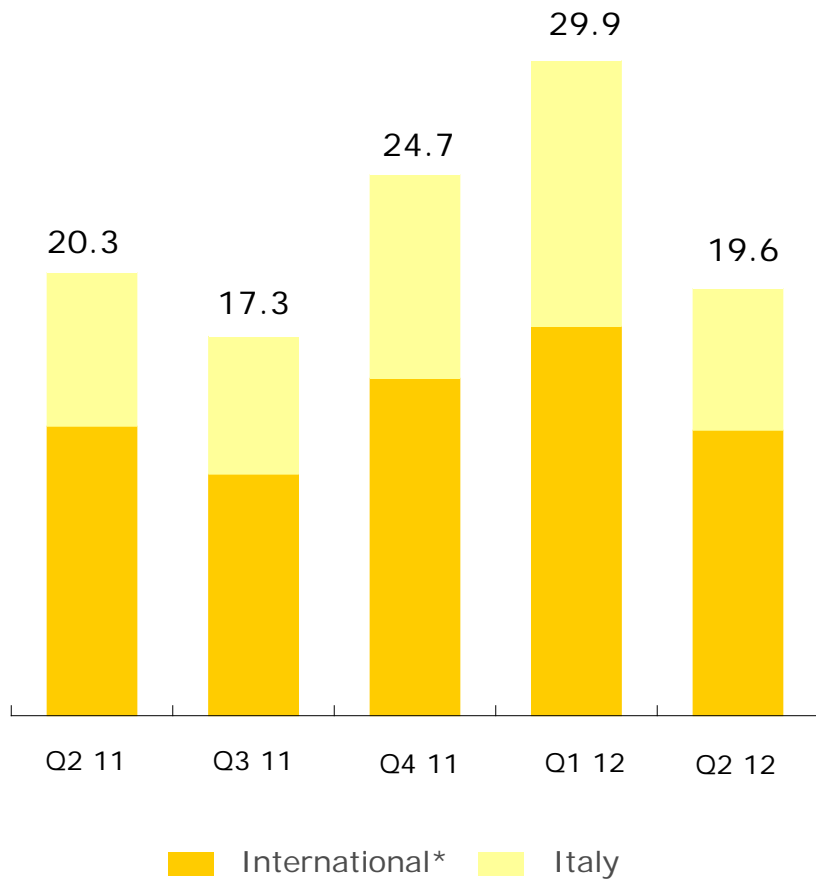
Million €



# G&P performance

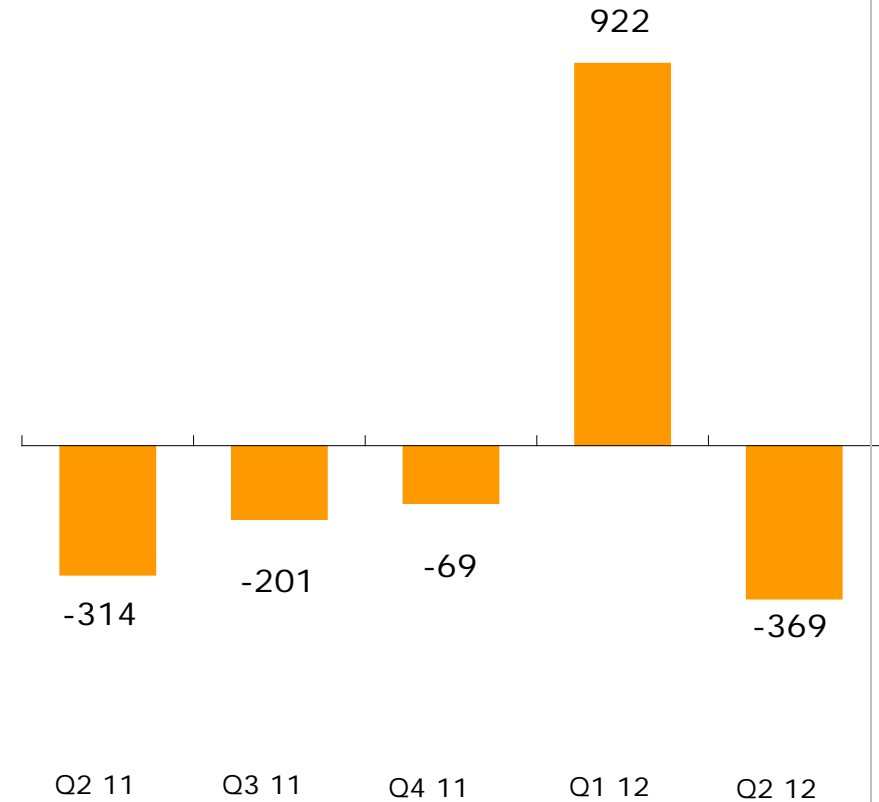
## Gas sales

Bcm



## Adj. operating profit

Million €



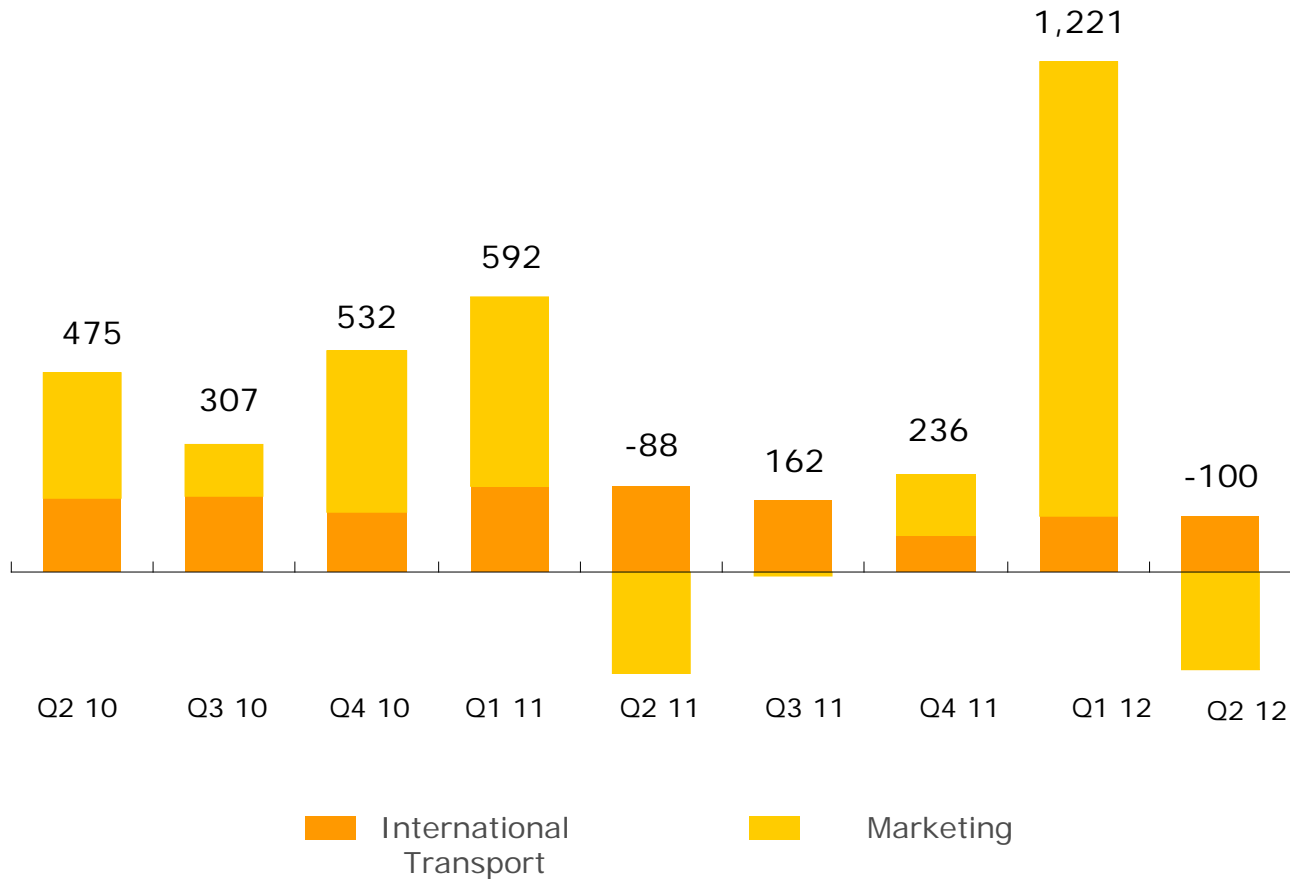
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\* Including associates



# G&P: ebitda proforma adjusted\*

Million €

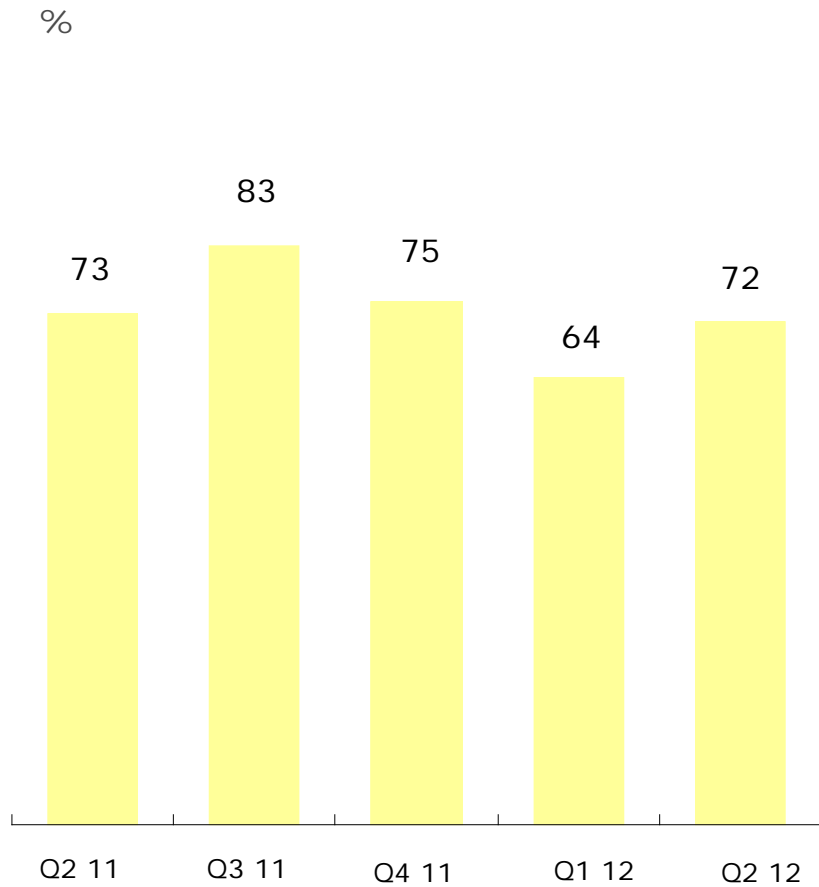


\* Ebitda pro forma includes pro-quota ebitda contribution from associates

# R&M performance

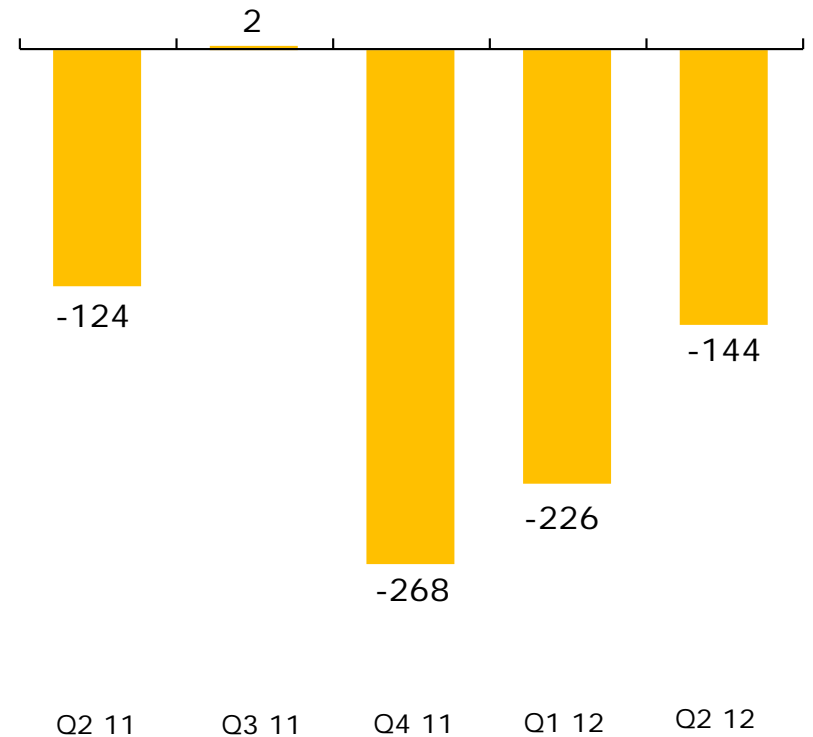
## Process utilization index

%



## Adj. operating profit

Million €



## other businesses: adjusted operating profit

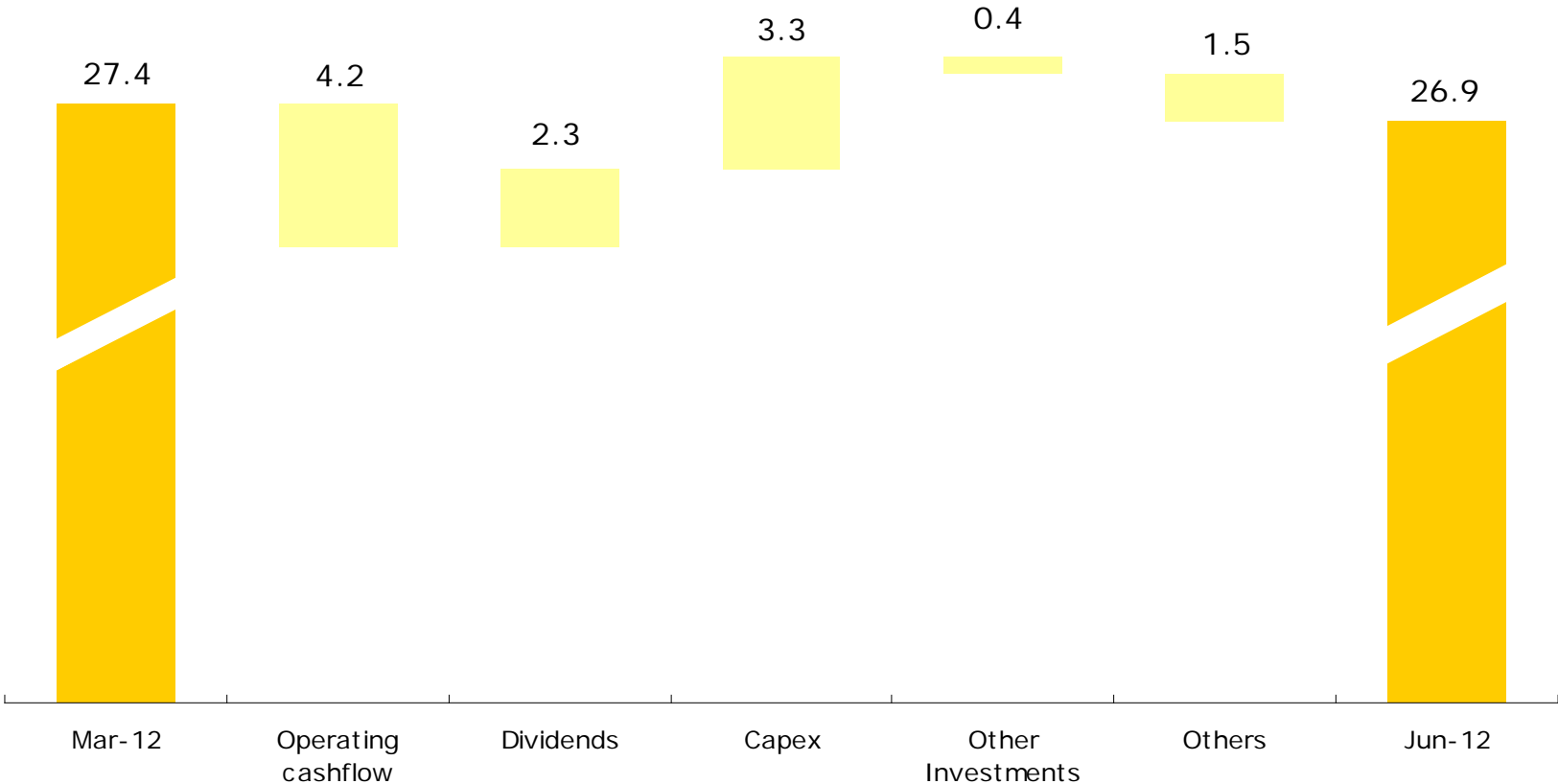
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Million €

	Q2 2011	Q2 2012	Δ %
▪ Chemicals	(32)	(26)	18.8
▪ Engineering & Construction	378	388	2.6
▪ Other activities	(60)	(57)	5.0
▪ Corporate	(69)	(100)	-44.9

# net debt evolution

Billion €



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# 2012 Outlook

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## E&P

- Production up ca. 10% net of PSA, Elgin Franklin and Nigeria bunkering impact

## G&P

- Ebit higher than in 2011 despite significant market headwinds

## R&M

- Weak demand for refined products to offset continuous effort for efficiency improvements





# appendix

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# results of operations

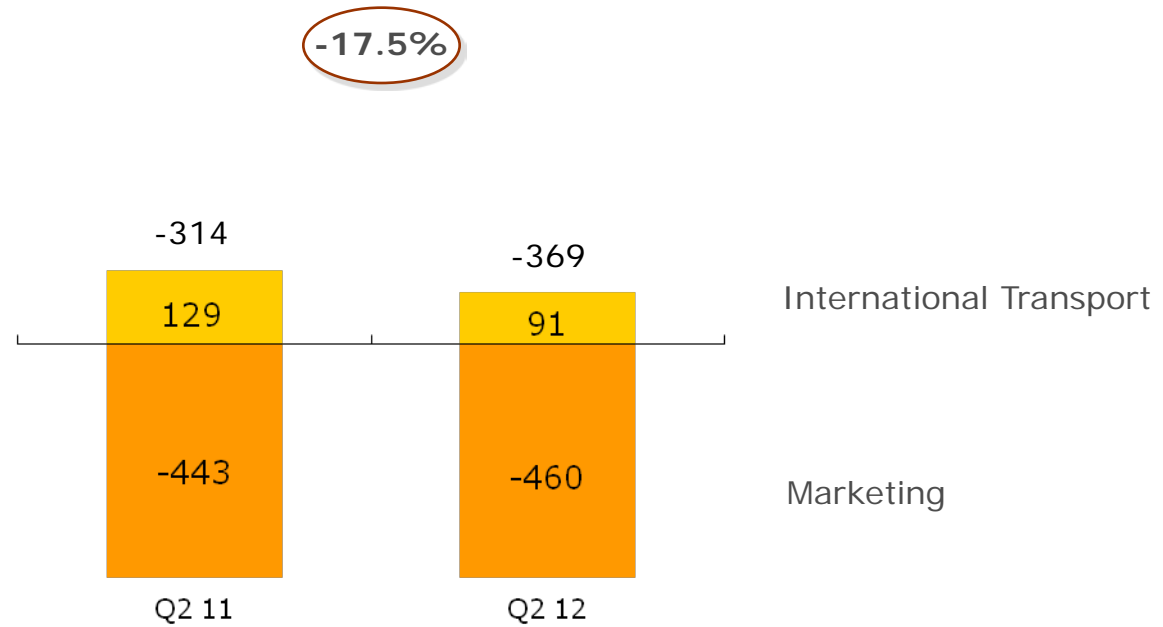
million €

Q2 11	Q2 12		1H 11	1H 12	Δ %
24.118	30.063	Net sales from operations	52.526	63.203	
3.604	2.780	<b>Operating Profit</b>	9.187	9.317	1.4
(240)	326	Inventory holding (gains) losses	(909)	(86)	
3.364	3.106	<b>Replacement Cost Operating Profit</b>	8.278	9.231	11.5
353	1.137	Special items	449	1.140	
3.717	4.243	<b>Adjusted Profit</b>	8.727	10.371	18.8
(221)	(531)	Net financial income (expense)	(278)	(802)	
399	297	Net share of profit from associates (expense)	652	469	
3.895	4.009	<b>Profit before income taxes</b>	9.101	10.038	10.3
(2.318)	(2.539)	Taxation	(4.796)	(5.913)	
59.5%	63.3%	Tax rate	54.4%	58.9%	
(200)	(89)	Minority interest	(665)	(338)	
857	574	<b>Net Profit</b>	2.523	3.560	41.1
350	1,016	Special items	473	157	
170	(209)	Inventory holding gains (losses)	644	70	
1.377	1.381	<b>Adjusted Net Profit</b>	3.640	3.787	4.0



# G&P: adjusted operating profit by activities

million €





## unrealized profit in stocks (UPIS)

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million €

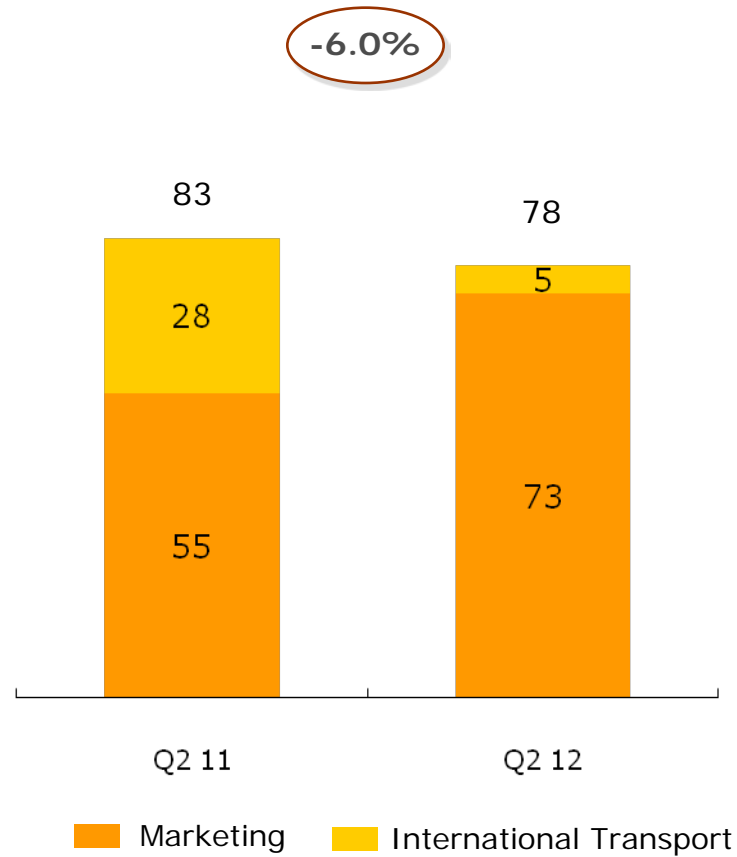
	Q2 11	Q2 12
E&P vs R&M	(150)	107
E&P vs G&P	(14)	(5)
E&C vs Eni Group	(14)	(9)
<b>Total UPIS</b>	<b>(178)</b>	<b>93</b>

## eni share of profit from associates

	Q2	
	2011	2012
<b>Equity method accounted for</b>	<b>130</b>	<b>167</b>
▪ Gas transportation abroad	28	5
▪ EnBw (GVS)	(2)	2
▪ Union Fenosa	36	45
▪ Blue Stream	10	10
▪ Others	58	105
<b>Dividends</b>	<b>268</b>	<b>130</b>
<b>Disposals</b>	<b>-</b>	<b>-</b>
<b>Others</b>	<b>1</b>	<b>0</b>
<b>Net income from associates</b>	<b>399</b>	<b>297</b>

# G&P share of profit from associates

million €



## main operating data

Q2 11	Q2 12		H1 11	H1 12	Δ %
1,489	1,647	▪ <b>Hydrocarbon prod.</b> (kboe/d)	1,586	1,661	4.7
129.1	143.9	▪ <b>Production sold*</b> (mmboe)	274.8	292.3	6.4
7.1	6.5	▪ <b>Natural gas sales in Italy**</b> (bcm)	19.1	18.7	(2.2)
11.6	11.1	▪ <b>Natural gas sales in Europe***</b> (bcm)	29.9	27.4	(8.1)
9.7	9.6	▪ <b>Power production sold</b> (TWh)	19.3	21.9	13.3
6.2	6.1	▪ <b>Refined product sales</b> (mmt tonnes)	11.9	11.6	(2.5)
1.0	1.0	▪ <b>Petrochemical sales</b> (mmt tonnes)	2.7	2.0	(26)

\* Including Eni's share of production of joint venture accounted for with the equity method

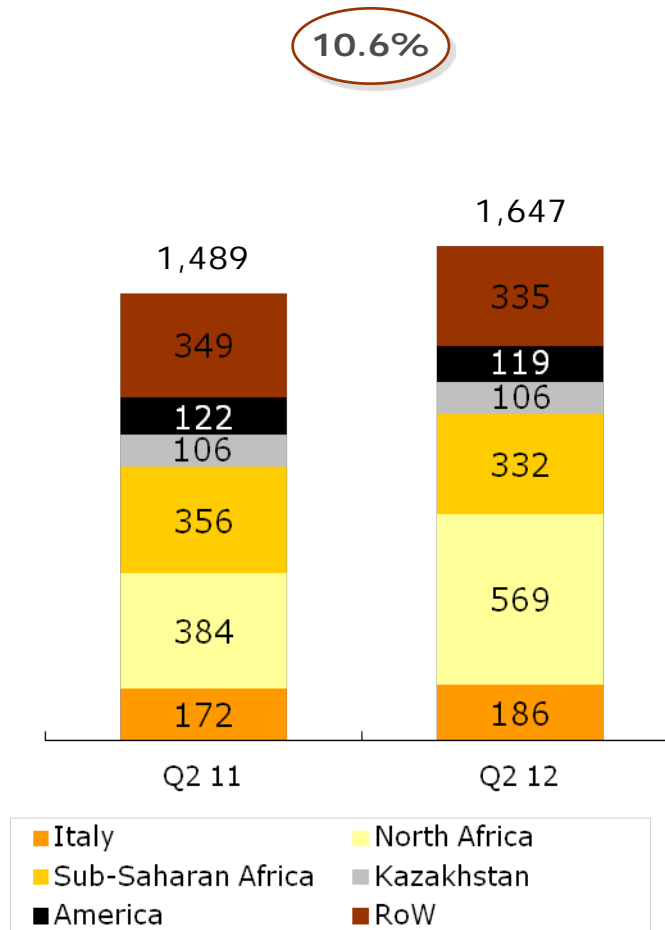
\*\* Including self-consumption

\*\*\* Consolidated sales



# production growth by geographical area

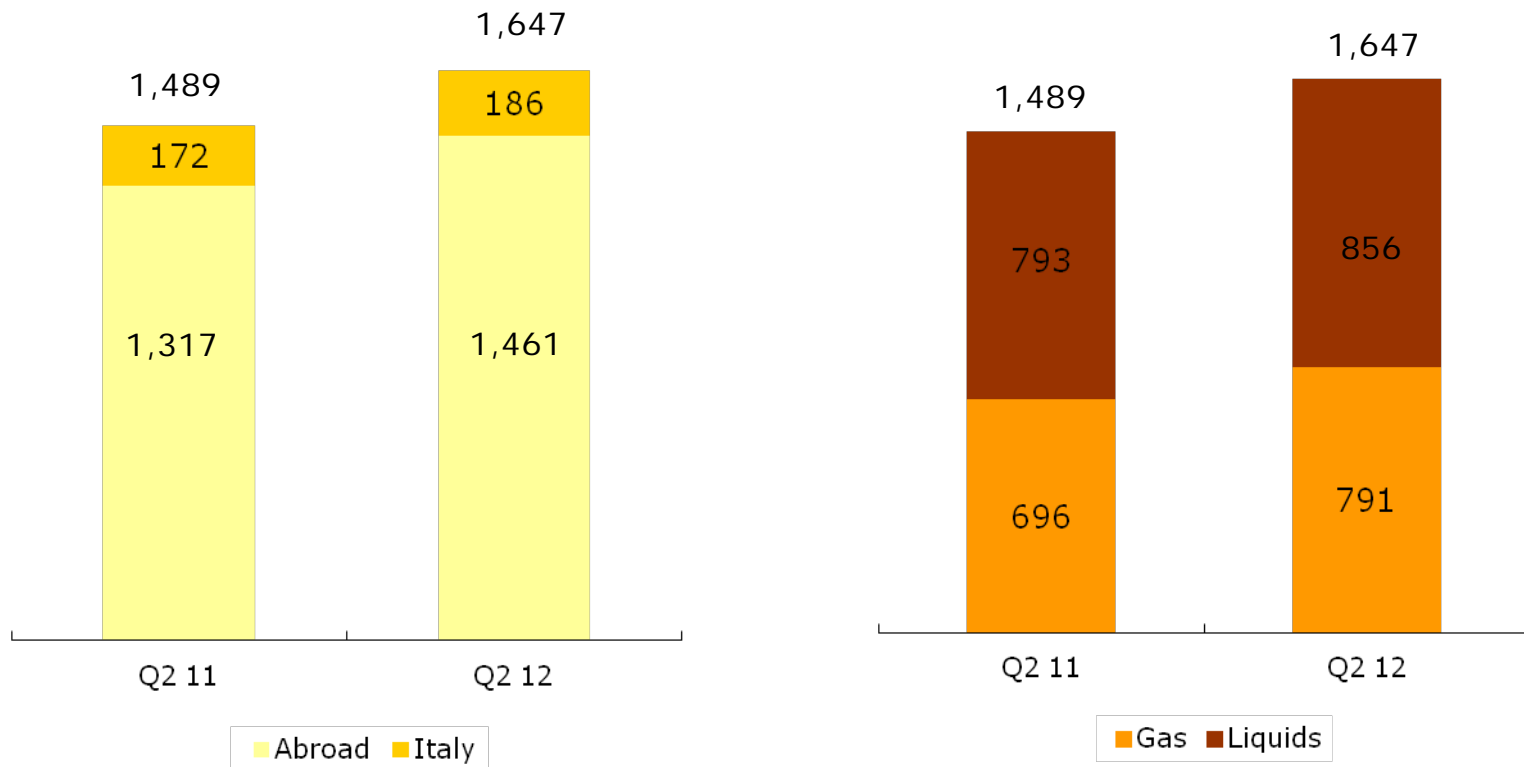
kboe/d



# oil & gas production

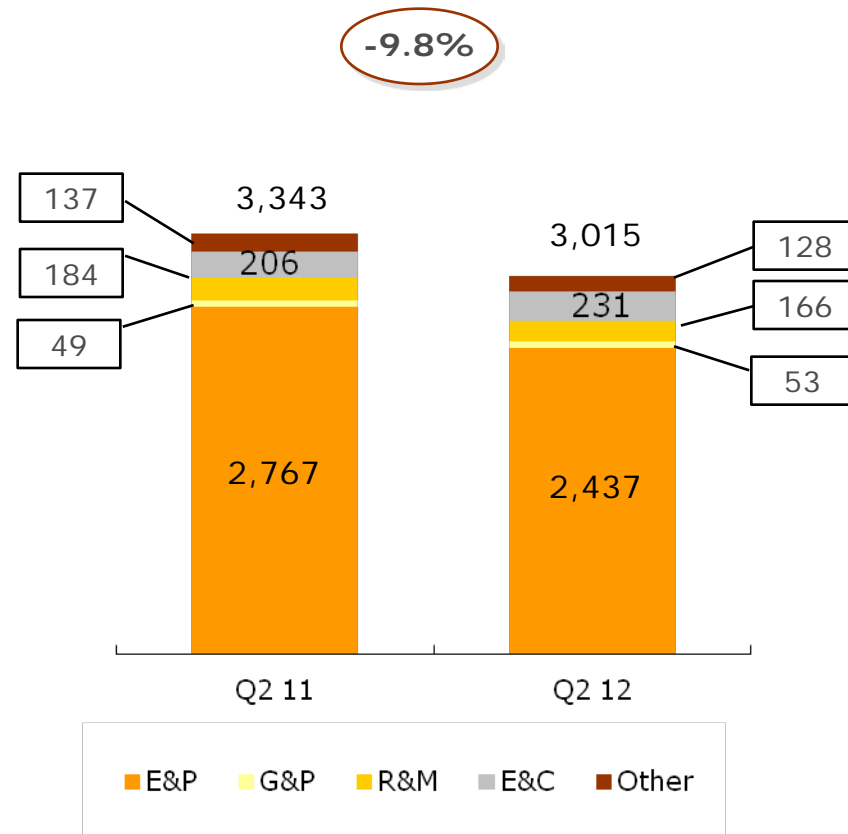
kboe/d

10.6%



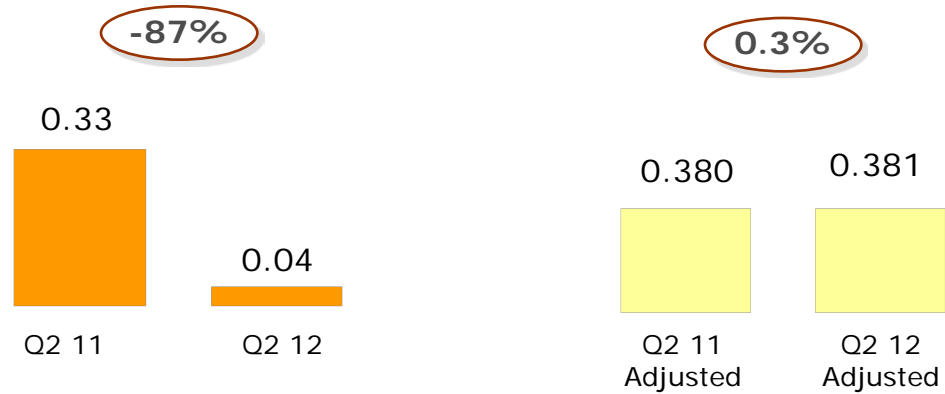
# capex

million €

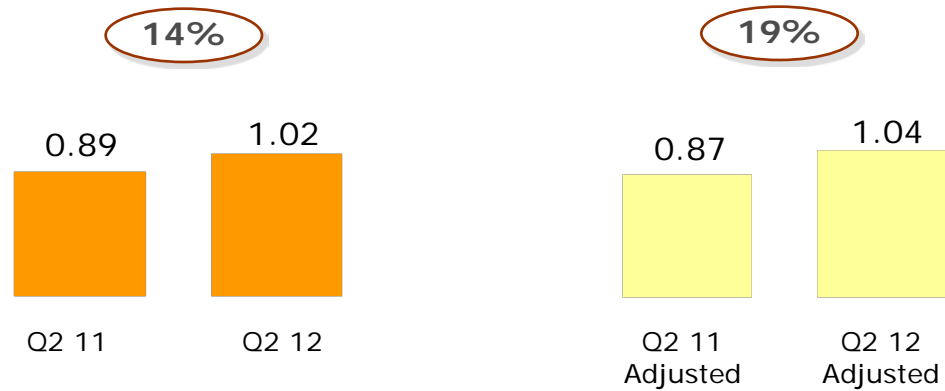


# eni consolidated results

**EPS**  
Euro per share\*



**CFPS**  
Euro per share\*



\* Average shares: Q2 11 3,622.6 million; Q2 12 3,622.8 million  
Note: Cash Flow calculated as net profit+amortization & depreciation

