Mozambique: a transformational deal to empower the project

**Area 4 (85 Tcf GOIP)**
25% farm down to Exxon for $2.8 bln

**OPERATORSHIP ON:**
- Coral South FLNG and Offshore upstream

**Joint venture:** 25% Eni, 25% Exxon, 20% CNPC, 10% ENH, 10% Kogas, 10% Galp
Dual exploration model is delivering upfront cash generation

- 2 discoveries: 4 deals in 4 years
- >9 Bln cashed in (> 8 Bln capital gain)
- Fast tracking cash generation before fields’ start up
- Capex reduction achieved without compromising LT growth
Exploration successes fuelling future production

Cumulative discovered resources 2014-2016 | bln boe

- 2016: 3.4
- 2015: 2.0
- 2014: 1.0

- Short cycles assets: 30%
- Long life production assets: 70%

AVG 2014-2016 UEC < $1 /BOE

2016 RRR | %

- Peers: Total, Chevron, Statoil, BP, Shell, Conoco Philips, Exxon
- Avg 2014-16: 150%
- ~55%

*139%, considering 40% of Zohr disposal
An outstanding result in 2016

\[
\text{CFFO} = \text{CAPEX} \quad \$46 \text{ /bbl}
\]

\[\checkmark\] vs targets $50 /bbl

LOWERING CASH NEUTRALITY AND LEVERAGE SINCE 2013

2016 leverage and change vs 2013

Peers adopting scrip dividend

Today <20%

Peers: Total, Chevron, Statoil, BP, Shell, Conoco Philips, Exxon
2017-2020 Strategy
Exploration and long term organic growth are the engine of our strategy

**Resources**
- High impact and conventional exploration
- Long term organic growth
- Integrated with E&P assets and close to final market

**Operations**
- High level of operatorship
- Design to cost
- Fast track

**Value**
- Upstream and G&P integration
- Enhancement in the downstream
- Active portfolio management

BUILDING A HIGH MARGIN PORTFOLIO
Best positioned to capture upside

**Upstream**
- Production growth CAGR 3%
- Exploration resources 2-3 bln boe

**Mid downstream**
- G&P breakeven in 2017
- Refining breakeven at $3/bbl margin in 2018

**Efficiency**
- Capex vs previous plan: -8%
- New projects BEP around $30/bbl

**Financials**
- New 4YP disposal target ~€ 5-7 bln
- 4YP CFFO € 47 bln

*CFFO capex coverage*
A rich set of exploration opportunities

**Organic growth and replacement**

**Flexibility and low break-even**

**Early monetization**

Gas – 55%

Oil – 45%

2-3 BLN BOE EQUITY RESOURCES
A large portfolio for the long term

New EXPLORATION successes...

- Bouri ph2
- Nyonie
- Evan Shoal
- Mamba T3-4
- Eldfisk ph2
- IDD
- Karachaganak EP
- Etan &Zabazaba
- Coral ph2
- Bonga North
- Bonga SW
- Mamba T1-2
- Perla Ph.2
- A&E structures Libya
- Kashagan ph2
- A&E structures Libya
- Loango
- Mamba T3-4
- Kashagan CC01
- Baltim SW
- Johan Castberg
- Nenè ph2B
- Coral FLNG

FID before 2020
FID 2020+

...to PRODUCTION
2017 start ups ahead of schedule

East Hub – Angola

 Execution Time 39 months

 **IN PRODUCTION**
 8th February 2017

- FID: 100%
- Start-up: June 2017

**Project details**
- **Eni working interest**: 37%
- **Hydrocarbon**: oil
- **Gross Volumes in place** Block 15/06 (West + East): >1.2 bln boe
- **Peak production** BI 15/06 (West + East) 100%: 150 kboe/d

OCTP – Ghana

 Execution Time 30 months

- FID: 85%
- Start-up: June 2017

**Project details**
- **Eni working interest**: 44%
- **Hydrocarbon**: oil & gas
- **Gross Volumes in place**: 750 mln boe
- **Peak production** 100%: 85 kboe/d

JANGKRIK - Indonesia

 Execution Time 42 months

- FID: 95%
- Start-up: June 2017

**Project details**
- **Eni working interest**: 55%
- **Hydrocarbon**: gas
- **Gross Volumes in place**: 470 mln boe
- **Peak production** 100%: 80 kboe/d
Zohr: countdown to first gas

Discovery: Aug. 2015
First Gas: December 2017

- Zohr 1
- Zohr 2
- Zohr 3
- Zohr 4
- Zohr 5
- Zohr 6
- Zohr 7

Exploration & development:
- Reservoir studies
- Engineering & Proc.
  - Long Lead Items
  - Onshore
- Construction & Installation:
  - Site preparation
  - Start piling
  - Start sealine laying

Progress 50%

*FIRST GAS* 2.3 years from discovery

February 2016 – Site preparation
February 2017 – Onshore Plant
February 2017 – Platform
An unrivalled inventory

- **Italy**
  - Argo Cluster

- **Libya**
  - Bahr Essalam Ph.2
  - A&E structures

- **Norway**
  - Johan Castberg
  - Kashagan CC01
  - Karachaganak Ph. 3

- **Kazakhstan**
  - Kashagan CC01
  - Karachaganak Ph. 3

- **Indonesia**
  - Jangkrik
  - Merakes

- **Venezuela**
  - Perla Ph.2

- **Ghana**
  - OCTP

- **Congo**
  - Nenè Ph.2A

- **Angola**
  - West hub
    - Ochigufu
    - Vandumbu
  - East hub

- **Mozambique**
  - Coral
  - Mamba T1-T2
  - Coral & Mamba future phases

- **Egypt**
  - Zohr
  - Baltim SW

**CAGR 2016-2020**
- 3%

**CAGR 2020-2025**
- 3%

- 2016
- 2017
- 2020
- 2025

- New projects/ramp ups
High quality long term cash flow

Cash flow per barrel | $/boe

- 4YP start up 29 $/boe
- 4YP start up 27 $/boe
- Legacy 16 $/boe
- Legacy 12 $/boe

Brent $/Bl
- 2016: 43.7
- 2017-18: 57.5
- 2019-20: 67.5
Gas demand continuous growth and market rebalancing

Supply/Demand LNG | Mtpa

- ~ 55 Mtpa (12-15 LNG trains)
- ~ 135 Mtpa (30-40 LNG trains)

International prices | $/MMbtu

NEW LNG REQUIRED EARLY NEXT DECADE
A turning point for G&P

- Gas supply contracts aligned to the market
- Logistic costs reduction
- Equity gas/LNG monetization

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<th>Year</th>
<th>Ebit adj € mln</th>
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<td>avg 2017-18</td>
<td>~300</td>
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<tr>
<td>avg 2019-20</td>
<td>&gt; 600</td>
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<tr>
<td>2025</td>
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CUMULATIVE CFFO € 2.6 BLN IN THE 4YP
Extracting value from integration

**Targets**

- Maximizing value of equity gas
- Developing a competitive LNG portfolio
- Leadership position in European and emerging markets

**Focus on LNG sales**

- 2017: 3.5 Mtpa
- 2025: 10 Mtpa

A PORTFOLIO PLAYER INTEGRATED WITH UPSTREAM
Downstream: building on the restructuring

**Refining & Marketing**

Breakeven Refining margin | $/bl

- 2013: 7.5
- 2016: 4.2
- 2018 onwards: 3

**EBIT Chemicals | € Mln**

- 2016: 300
- 4YP avg: 300

**SERM**

- 2016: 4.2
- 2020: 5.5

**Scenario upsides**

- EBIT +€ 300 Mln self help
- EBIT 2020 € 900 Mln

**4YP CUMULATIVE CFFO > € 4.5 BLN**
New energy solutions

2017-2030 Guidelines

- **Significant growth** of installed capacity
- **Technology neutral, with focus on hybrid projects**
- **Technological and geographical synergy** with other Eni business lines

![Graph showing the growth of Energy Solutions installed capacity from 2017 to 2020]

*Target IRR 8-12%*

*After financing and considering synergies with upstream*
Capex plan

€ Bln

34.4*  -8%  31.6

30

25

20

15

10

5

0

plan 2016-2019

plan 2017-2020

E&P**

Upstream -13%

Other

E&P

Capex allocation 2017-20

IRR (%)

Mid-downstream + New energies  ≈10

Production optimization  > 20

Mandatory

Development of new production  15-20

Exploration

average 2017-20

CAPEX 2017 VS 2016 -18%

55% UNSANCTIONED IN 2019-20

* Excluding JV financing and post SEM application @ constant FX;
** E&P post portfolio
Our enhanced disposal programme

- Proved successful portfolio mgmt
- Dual exploration model
- E&P portfolio rationalization
- Further financial flexibility

~50% of our 4YP target already achieved
Cash Flow plan

€ Bln

- Disposal & efficiency
- E&P
- Brent $/Bl

avg 17-18
avg 19-20

Growth & efficiency scenario disposal other

CAPEX

57
67
Remuneration - dividend policy confirmed

Competitive distribution policy progressive with underlying earnings growth and scenario

Floor dividend cash sustainability

Cash neutrality

- $50/bbl including disposals in 2016 ✔ ✔
- $60/bbl organic in 2017 ✔
- <$60/bbl organic 2018-20 ✔

Additional financial flexibility ✔

2017 DIVIDEND €0.8/SHARE (FULLY CASH)
Our pathway to long term value

Unrivalled exploration
Fast cash generation
Low breakeven portfolio
Highly leveraged to oil price
Strong balance sheet
BACK UP
## Assumptions and sensitivity

<table>
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<tr>
<th>4YP Scenario</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
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<tr>
<td>Brent dated ($/bl)</td>
<td>55</td>
<td>60</td>
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<tr>
<td>Std. Eni Refining Margin ($/bl)</td>
<td>4.0</td>
<td>4.0</td>
<td>4.3</td>
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<td>NBP ($/mmbtu)</td>
<td>5.2</td>
<td>5.3</td>
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<td>Cracker Contribution Margin (€/ton)</td>
<td>270</td>
<td>260</td>
<td>254</td>
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<table>
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<tr>
<th>4YP sensitivity*</th>
<th>Ebit adj (bln €)</th>
<th>Net adj (bln €)</th>
<th>FCF (bln €)</th>
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<tr>
<td>Brent (-1$/bl)</td>
<td>-0.3</td>
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<tr>
<td>Std. Eni Refining Margin (+1$/bl)</td>
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<td>+0.1</td>
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<tr>
<td>Exchange rate €/$ (+0.05 $/euro)</td>
<td>-0.4</td>
<td>-0.2</td>
<td>-0.2</td>
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## Main start ups

<table>
<thead>
<tr>
<th>Main start ups 2017-2018</th>
<th>country</th>
<th>op</th>
<th>start up</th>
<th>Equity peak in 4 YP (kboed)</th>
<th>Working Interest</th>
<th>Liquids/Gas</th>
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<tr>
<td>Nenè Ph.2A</td>
<td>Congo</td>
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<td>Achieved</td>
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<td>Block 15-16 East Hub</td>
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<td>Jangkrik</td>
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<td>2H17</td>
<td>45</td>
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<td>Gas</td>
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<td>Egypt</td>
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<td>OCTP Gas</td>
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<td>Gas</td>
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<td>West Hub (Ochigufu)</td>
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<td>Argos Cluster</td>
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<td>Gas</td>
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<td>Marine XII Full Field</td>
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<td>Liquids</td>
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<td>Johan Castberg</td>
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<td>Mamba T1-T2</td>
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<td>135</td>
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<td>Merakes</td>
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<td>Bonga SW</td>
<td>Nigeria</td>
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<td>Karachaganak EP</td>
<td>Kazakhstan</td>
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<td>Kashagan CC01</td>
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<td>A-E structures</td>
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<td>Perla ph2</td>
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