2014 2Q results and strategy update

July 31, 2014
result highlights

- e&p production in line with guidance
- confirming exploration track record
- good results from gas renegotiations
- persisting weakness in mid-downstream oil
- >50% CFFO growth* (H1 14 vs H1 13)

* CFFO pre working capital variation
2014 a weaker scenario

- **Oil Price ($/bl)**
  - ENI New Scenario

- **EUR/USD**
  - Price Evolution from 2008 to 2014

- **Italian Gas Demand and Price**
  - PSV (€/MWh)
  - Gas Demand

- **Refining Margin - SERM**
  - Price Evolution from 2008 to 2014

*SERM: please see appendix for definition*
eni strategic drivers and main actions

- boosting upstream value
- accelerating gas contract renegotiations
- increasing refining capacity cuts
- cost savings and efficiency
- additional disposal plan

enhancing guidance in a weaker scenario
the transformation to a fully integrated company
upstream - maximising value of our operations

**exploration**

reloading our exploration portfolio
42,000 sqkm new acreage

- Greenland Block QIALIVAQ (eni 43.8% Op.)
- Egypt
  - Block 9 (eni 50% Op.)
- UK 22/19c (eni 50% Op.)
- Vietnam
  - Block 122 (eni 100% Op.)
- USA
  - Tight oil JOA Quickwater (eni 50%-12.5%)
- China Block 50/34 (eni 49% Op.)
- USA - GOM
  - MC 246 (eni 100% Op.)
  - MC 290 (eni 100% Op.)
- Indonesia - Timor Sea GTS-1 (eni 100% Op.)
- Algeria 3 "permis de prospection" (eni 49%)
- South Africa ER236

Pending government approval

**production**

- 2014 guidance confirmed
- 2013-17 CAGR confirmed at 3%
- 2015 +3% including impact of Kashagan & Angola LNG delays

1H2014 new discoveries
> 400 Mil boe equity
pre-salt exploration and discoveries

**Gabon – Block D4**

- structural trap of 40 sqkm
- 320 mt hydrocarbon column
- offshore shallow water at 13 Km from coast
- eni w.i. 100%

**West Africa pre-salt**

- a successful exploration campaign
  - **Congo Marine XII** (Litchendjili and Nenè): 2.5 bln boe of resources in place
  - **Gabon Block D4**: potential up to 500 mln boe of resources in place
  - **Angola Block 35**: oil discovery under evaluation
unlocking the value of our exploration

- **exploration dual model**
  - diversifying risk
  - managing exposure
  - accelerating cash in

- **exiting mature assets**
  - portfolio re-balancing

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**e&p disposal programme | bn €**

- Mozambique 20% (2013)
- arctic Russia
- 2013-YTD
- remaining disposal 4YP
- total revised disposal plan

remaining disposal

> 9

further disposal
2014 – 2015: two years of major start-ups

### Start-up Projects

<table>
<thead>
<tr>
<th>Start-up Date</th>
<th>Project</th>
<th>Country</th>
<th>Status</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q 14</td>
<td>Longhorn Ph.3</td>
<td>USA</td>
<td>✔️</td>
<td>100%</td>
</tr>
<tr>
<td>4Q 14</td>
<td>West Franklin Ph.2</td>
<td>UK</td>
<td>✔️</td>
<td>97%</td>
</tr>
<tr>
<td>4Q 14</td>
<td>Hadrian South</td>
<td>USA</td>
<td>✔️</td>
<td>96%</td>
</tr>
<tr>
<td>4Q 14</td>
<td>Lucius</td>
<td>USA</td>
<td>✔️</td>
<td>89%</td>
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<tr>
<td>4Q 15</td>
<td>Asgard Mikkel</td>
<td>Norway</td>
<td>✔️</td>
<td>84%</td>
</tr>
<tr>
<td>4Q 14</td>
<td>15/06 West Hub</td>
<td>Angola</td>
<td>✔️</td>
<td>82%</td>
</tr>
<tr>
<td>1Q 15</td>
<td>Eldfisk II Ph.1</td>
<td>Norway</td>
<td>✔️</td>
<td>81%</td>
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<tr>
<td>2Q 15</td>
<td>Goliat</td>
<td>Norway</td>
<td>✔️</td>
<td>73%</td>
</tr>
<tr>
<td>4Q 14</td>
<td>Wafa Compression</td>
<td>Libya</td>
<td>✔️</td>
<td>60%</td>
</tr>
<tr>
<td>1Q 15</td>
<td>Perla Ph1</td>
<td>Venezuela</td>
<td>✔️</td>
<td>55%</td>
</tr>
<tr>
<td>4Q 14</td>
<td>Nenè Marine</td>
<td>Congo</td>
<td>✔️</td>
<td>45%</td>
</tr>
<tr>
<td>1Q 16</td>
<td>Mafumeira Sul</td>
<td>Angola</td>
<td>✔️</td>
<td>36%</td>
</tr>
<tr>
<td>3Q 15</td>
<td>Litchendjili Gas</td>
<td>Congo</td>
<td>✔️</td>
<td>34%</td>
</tr>
<tr>
<td>3Q 15</td>
<td>Kizomba Sat. Ph.2</td>
<td>Angola</td>
<td>✔️</td>
<td>34%</td>
</tr>
<tr>
<td>4Q 15</td>
<td>Junin 5 EP</td>
<td>Venezuela</td>
<td>✔️</td>
<td>23%</td>
</tr>
</tbody>
</table>
gas contract renegotiations deliver enhanced results

2014 EBIT guidance | mln €

-700
-500
-300
-100
100

Original  New

> € 700 mln improvement

Take or Pay cash recovery | bn €

2.0
1.0
0

2013  2017

- Substantial recovery of the €1.9 bn take or pay by 2017

cash and EBIT breakeven brought forward to 2014
refining – increase resilience at lower margin

**ORIGINAL PLAN: 35% REDUCTION**
- shutdown of Gela gasoline line
- Venezia start-up Green Diesel Plant in 2Q14
- sales of CRC refinery
- conversion of one refinery

**NEW PLAN: >50% REDUCTION**
- conversion/restructuring of 3 plants
- optimization of international presence

*includes marketing activity*
general services efficiency programme

general services costs | mln €

2014
original plan
2,000
1,500
1,000

2015
new plan

total cost savings > €1.7 bn in the 4YP
cash flow trend

**main impacts on CFFO**
- Kashagan / A-LNG delay
- Weaker gas market
- Lower refining margin

**original vs new plan | bn €**

<table>
<thead>
<tr>
<th></th>
<th>avg 2014-15 original plan</th>
<th>avg 2014-15 new plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>disposal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFFO</td>
<td>10</td>
<td>15</td>
</tr>
<tr>
<td>capex</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Brent €/bl:</td>
<td>78</td>
<td>79</td>
</tr>
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</table>

**CFFO >40% vs 2013**
key targets confirmed or enhanced

<table>
<thead>
<tr>
<th>Key Targets</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>E&amp;P</strong> +3% production CAGR to 2017</td>
<td>✔️</td>
</tr>
<tr>
<td><strong>G&amp;P</strong> breakeven anticipated to 2014</td>
<td>✔️</td>
</tr>
<tr>
<td><strong>R&amp;M</strong> cash breakeven within end '15 at lower scenario</td>
<td>✔️</td>
</tr>
<tr>
<td>&gt;€1.7bn of costs savings in 2014-17</td>
<td>✔️</td>
</tr>
<tr>
<td>+ €2.0bn additional disposal</td>
<td>✔️</td>
</tr>
</tbody>
</table>

**avg 2014-15 vs 2013**

- >40% CFFO
- +20% FCF
appendix
### Assumptions and Sensitivity

#### Updated Strategy vs. Strategy PPT 02/2014

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brent Dated ($/bl)</strong></td>
<td></td>
<td></td>
<td><strong>FX Avg (€/$)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>108</td>
<td>103</td>
<td>1.35</td>
<td>1.3</td>
<td></td>
</tr>
<tr>
<td><strong>Standard Eni Ref. Margin ($/bbl)</strong></td>
<td></td>
<td></td>
<td>1.8</td>
<td>2.1</td>
<td></td>
</tr>
<tr>
<td><strong>Henry Hub ($/mmbtu)</strong></td>
<td></td>
<td></td>
<td>4.8</td>
<td>4.4</td>
<td></td>
</tr>
<tr>
<td><strong>NBP ($/mmbtu)</strong></td>
<td>9.2</td>
<td>9.9</td>
<td></td>
<td>10.5</td>
<td>10.0</td>
</tr>
</tbody>
</table>

#### 4YP Sensitivity*  

<table>
<thead>
<tr>
<th></th>
<th>Ebit Adj (bln €)</th>
<th>Net Adj (bln €)</th>
<th>FCF (bln €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent: -1$/bbl</td>
<td>-0.3</td>
<td>-0.1</td>
<td>-0.1</td>
</tr>
</tbody>
</table>

*Sensitivity is applicable for limited variations of prices.

**SERM (standard Eni Refining Margin)** = 9% Naphta + 29% Gasoline + 49% Diesel - 5% HS Fuel Oil - 91% Brent

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*average sensitivity in the 4YP. Sensitivity is applicable for limited variations of prices*