eni: structure

- divisions
- subsidiaries

- Exploration & Production
- Gas & Power
- Refining & Marketing

- 43%

- Saipem
- Snam
- Chemicals

Under disposal, Deconsolidated in Q4 2012
eni after Snam: increased financial flexibility...

- Completed disposal of 35% of Snam for €4.1 bn
- Snam debt fully deconsolidated by YE 2012
- Flexibility on disposal of the remaining 20% stake
- Further potential debt reduction from Galp disposal
... and greater upstream exposure

- E&P capital employed rising to 58% from 48%
- **eni** ROACE proforma rising to 10.4% from 9.9%
E&P: excellent track record of exploration success

**Exploration performance**

- **~ 7 Bboe**
- **Average UEC 2008-12YTD: 1.3 $/boe**

**Main discoveries**

- **Core areas/fast time to market**
  - Egypt
  - West Africa
  - Pakistan
  - Italy
  - Indonesia

- **Emerging basins**
  - Norway - Barents
  - Ghana
  - Mozambique

* 2012 includes the first 9 months
focus on exploration: Mozambique – Rovuma basin

- 6 wells drilled to date
- Total potential of the discoveries up to 70 Tcf
- Further exploration and appraisal wells planned
- Ongoing unitization talks for gas in straddling levels
- Standalone resources >20Tcf
- Simple, highly productive wells; efficient upstream development
Project pipeline: our main hubs...

Robust and diversified pipeline of giant projects
.. drive a decade of organic growth

Production growth

- Long term optionality
  - Kashagan FF
  - Mozambique FF
  - Russian Barents Sea
  - West Africa Pre-salt and transform margin
  - Unconventionals

Price scenario: 90$/bl 2012-13; 85$/bbl 2014-15; +2%/year afterwards

kboe/d

- >3% adj
- ~3%

Russia and Caspian
Sub-Saharan Africa
Latin America
Far East
Europe and North America
North Africa and ME

2011 2015 2022
increased value per barrel

- Increased proportion of oil vs gas
- Higher production in lower tax rate areas
- Good capture ratio supported by strong contractual structure

Cash flow/boe

- Brent ($/boe) 2010: 85
- Brent ($/boe) 2015: 85

Data rebased at 100
G&P: merchant business exposed to European headwinds

- €600m of regulated/low risk pf adj. ebitda remaining in G&P
- “pure” marketing business suffering from oversupply and competitive pressure

**Low market risk activities**

**Activities subject to demand and price volatility**

- Weak short term environment due to declining demand

**Long term market tightening:**
- European economic growth and fuel switching
- Increasing Far East demand
- Increasing MENA domestic gas consumption
- Declining European domestic production
- Limited LNG capacity for the Atlantic basin
G&P: mitigating market volatility

**Supply**
- Continuous renegotiation to ensure market reflectivity
- Improving cost position
- Increasing flexibility on volumes

**Resilient segment**
- Retail customer base +28% by 2015
- Enhanced international LNG sales
- Single brand identity and leading customer service
- Higher LNG sales to Far East and South America

**International**
- Consolidation of European leadership
- Multi-country approach
- Tailor-made offers
- Increasing ancillary services
R&M: increasing efficiency and complexity

- 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%
growth fueled by enhanced capex plan...

- Total capex plan of €59.6bn (of which €6.2bn relate to Snam)
- Focus on E&P:
  - Enhanced exploration programme
  - Production optimization to reduce decline rates
  - High-return growth projects
- G&P ex-Snam: limited investments, mainly powergen
- R&M: decreasing investment in refining
... financed by organic cashflow generation

- Organic cash-flow more than covers capex requirements
- 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
The new **eni**: growth and returns

### Ensure appropriate financial strength
- Maintain adequate gearing in the context of new upstream-focused business model
- High liquidity reduces reliance on credit market in volatile environment

### Continue to invest in high-return E&P portfolio
- New project pipeline with IRR of >20% at our oil-price scenario
- Additional growth potential from world-class exploration discoveries

### Reward shareholders
- Robust returns supported by delivery of profitable production growth
- Launch of new buyback programme to return cash with high flexibility