Eni 9M 2020 Results

Eni biorefinery in Venice
9M HIGHLIGHTS

**Production**: 1.74 Mboed. Main start ups in Algeria and Congo

**Exploration**: success in Egypt, Angola, Mexico, Vietnam, UAE

**Global Gas & LNG**: € 0.6 Bln FCF, despite a challenging scenario

**CCS**: Carbon Storage Licence for Liverpool Bay Fields (potential 195 mt CO2)

**Business Group EBIT adj**: € 323 mln (25% of Eni Group)

**Retail G&P**: resilient contribution with over €200 mln Ebit adj

**Bio-refineries**: positive contribution thanks to Gela ramp-up

**Renewables**: 0.3 GW capacity installed

**Adj CFFO @ RC pre WC**: € 5.1 Bln, in line with guidance

**Capex**: € 3.8 Bln, in line with guidance

**FCF**: positive in a challenging scenario

**Hybrid Bonds**: €3bn successful emission (7 times the original offer)

**Leverage**: significantly strengthened to 0.29 post hybrid bonds
RATINGS CONFIRM ENI’S LEADERSHIP IN ESG

Eni confirmed leadership position in 2019 for the 3rd consecutive year with A- rating; CDP 2020 questionnaire submitted and under evaluation

Eni inserted in the highest “advanced” band

"A" ESG rating, leader in Carbon Emissions and Health and Safety amongst peers

Eni has achieved a ESG Risk Rating in the top 3% amongst peers

Eni 1st for Environmental Score amongst peers

Top Level 4 Star Strategic Assessment for Management Quality

Eni 1st amongst peers for competitiveness of unsanctioned portfolio economics, emission reduction targets and medium-long term price scenario
### NATURAL RESOURCES

#### UPSTREAM | EBIT Adj € BLN

<table>
<thead>
<tr>
<th></th>
<th>9M 2019</th>
<th>9M 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent ($/bbl)</td>
<td>64.7</td>
<td>40.8</td>
</tr>
<tr>
<td>PSV (€/kmc)</td>
<td>175</td>
<td>97</td>
</tr>
<tr>
<td>FX</td>
<td>1.124</td>
<td>1.125</td>
</tr>
</tbody>
</table>

**VOLUME/MIX & OTHER**

|                | 6.59    | 0.75    |

**SCENARIO**

#### GLOBAL GAS & LNG PORTFOLIO | EBIT Adj € BLN

<table>
<thead>
<tr>
<th></th>
<th>9M 2019</th>
<th>9M 2020</th>
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</thead>
<tbody>
<tr>
<td>TTF (€/kcm)</td>
<td>146</td>
<td>81</td>
</tr>
<tr>
<td>Spread PSV-TTF (€/kcm)</td>
<td>29</td>
<td>16</td>
</tr>
<tr>
<td>JKM ($/Mbtu)</td>
<td>5.4</td>
<td>3.1</td>
</tr>
</tbody>
</table>

**2020 PRODUCTION CONFIRMED**

1.72 – 1.74 Mboed
# CCS – Carbon Capture & Storage

## Adriatic Blue

- **Location**: Ravenna, Italy
- **Timeline**:
  - **2022**: Demo Startup
  - **2026**: Startup
- **Significance**: First CCS Project in the Mediterranean

## UK Projects

- **Liverpool Bay**
  - **Timeline**:
    - **Oct ’20**: Licence Awarded
    - **2025**: Expected Startup
- **Teeside**
  - **Timeline**:
    - **2025**: Expected Startup

OGCI First CCUS Hub

## Decarbonising

- Hard-to-abate industrial emissions
- Generating new business opportunities
EXPLORATION – CONTINUES TO BUILD OPTIONALITY DESPITE COVID-19

EGYPT | Nile Delta & Western Desert

**NEAR FIELD**

Discovery: Gas & Oil

Results:
- «Great Nooros Area» upgraded at 4 Tcf
- South West Meleha 12’000 boe/d

**PROVEN BASIN**

Discovery: Oil

Results:
- 200-300 Mbbl
- Large Nearby Potential

Way Forward:
- To be appraised

VIETNAM | (w.i. 55%) Ken Bau

**PLAY OPENER**

Discovery: Gas & Condensate

Results:
- 7-9 Tcf
- 400-500 Mbbl

Way forward:
- Upside to be appraised

UAE SHARJAH | (w.i. 50%) Mahani

**PROVEN BASIN**

Discovery: Gas & Condensate

Results:
- Significant discovery with short time-to-market

Way forward:
- Upside to be appraised

ANGOLA | (w.i. 37%) Agogo 3

**PROVEN BASIN & INCREMENTAL EXPLORATION**

Discovery: Oil

Results:
- Upgraded field potential to 1 Bbbl

2020 TARGET EXPLORATION DISCOVERY

> 300 MBOE EQUITY
UEC ~ 2 $/bbl
ENI GAS E LUCE, POWER & REN | EBIT Adj € Mln

9M 2019: 214
9M 2020: 333

R&M AND CHEMICALS | EBIT Adj € Mln

9M 2019: 176
9M 2020: -10

2020 GUIDANCE: > € 0.3 bln

R&M includes pro-forma ADNOC Refining & Trading

($/bbl)
SERM 4.4 2.2
Spread Ural-Brent 0.1 -0.4
REFINING – FOCUS ON BIO

BIO REFINERIES CAPACITY | Mton

1.1 MTPA
FEEDSTOCK: 20%
2nd & 3rd GEN
2020

1.3 MTPA
FEEDSTOCK: 80%
2nd & 3rd GEN
end 2023

15% INTERNAL RATE OF RETURN

€ 60 MLN 9M EBIT ADJ
CASH RESULTS

9M CASHFLOW | € bln

CONFIRMED
2020 CFFO

€ 6.5 bln
@ $ 40/BBL

CFO & FCF are adjusted and pre working capital at replacement cost
HYBRID BOND: DIVERSIFYING AND STRENGTHENING FINANCIAL POSITION

2 PERPETUAL HYBRID BONDS FOR A TOTAL OF €3BN
LARGEST EVER HYBRID ISSUANCE IN ITALY & 7X DEMAND VS ORIGINAL OFFER

- Significantly strengthened balance sheet
- Further diversified our capital structure
- Supports our strong investment grade rating
- Further enhanced our strong liquidity position

Leverage: Net debt / shareholders’ equity (exc IFRS 16 Lease Liabilities)
PORTFOLIO OPTIMISATION: LEVER TO ENHANCE FLEXIBILITY

RATIONALE

Non core Upstream assets
Optimisation of non-upstream assets
Asset mergers to optimise portfolio

2020 GROSS DISPOSALS : ~ €1 bln
## 2020 GUIDANCE

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td>~ € 6.5 bln</td>
</tr>
<tr>
<td>Exploration discoveries</td>
<td>~ € 5.2 bln</td>
</tr>
<tr>
<td>CFFO @ 40 $/bl</td>
<td>~ € 6.5 bln</td>
</tr>
<tr>
<td>GGP Adj EBIT</td>
<td>€ 0.2 bln</td>
</tr>
<tr>
<td>Energy Evolution Adj EBIT</td>
<td>&gt; € 0.3 bln</td>
</tr>
<tr>
<td>CAPEX</td>
<td>~ € 5.2 bln</td>
</tr>
<tr>
<td>Gross Disposals</td>
<td>~ € 1 bln</td>
</tr>
<tr>
<td>Leverage (pre IFRS 16 lease liabilities)</td>
<td>&lt; 0.3</td>
</tr>
</tbody>
</table>
### MARKET SCENARIO

#### BRENT | $/bbl

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#### EXCHANGE RATE | €/$

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#### EUROPEAN GAS PRICES | €/kcm

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#### STANDARD ENI REFINING MARGIN | $/bbl

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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.4</td>
<td>2.2</td>
</tr>
</tbody>
</table>
### ASSUMPTIONS AND SENSITIVITY

**4YP Scenario**

<table>
<thead>
<tr>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent dated ($/bbl)</td>
<td>42</td>
<td>48</td>
<td>55</td>
</tr>
<tr>
<td>FX avg ($/€)</td>
<td>1.143</td>
<td>1.130</td>
<td>1.150</td>
</tr>
<tr>
<td>Ural MED c.i.f. - Med Dated Strip ($/bbl)</td>
<td>-0.4</td>
<td>-1.3</td>
<td>-1.4</td>
</tr>
<tr>
<td>Std. Eni Refining Margin ($/bbl)</td>
<td>2.4</td>
<td>4.3</td>
<td>4.5</td>
</tr>
<tr>
<td>NBP ($/mmbtu)</td>
<td>2.8</td>
<td>4.1</td>
<td>4.8</td>
</tr>
<tr>
<td>PSV (€/kcm)</td>
<td>104</td>
<td>147</td>
<td>163</td>
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**Sensitivity 2020**

<table>
<thead>
<tr>
<th>Brent (+1 $/bbl)</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>0.23</td>
<td>0.16</td>
<td>0.17</td>
</tr>
<tr>
<td>Std. Eni Refining Margin (+1 $/bbl)</td>
<td>0.13</td>
<td>0.09</td>
<td>0.13</td>
</tr>
<tr>
<td>Exchange rate $/€ (-0.05 $/€)</td>
<td>0.09</td>
<td>0.02</td>
<td>0.1</td>
</tr>
</tbody>
</table>

Brent sensitivity assumes oil and gas prices move proportionally.
It is applicable for $5-$10/bbl moves in Brent.