Eni 9M 2020 Results


**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

- **MSCI ESG RATINGS**
  - "A" ESG rating, leader in Carbon Emissions and Health and Safety amongst peers

- **Bloomberg ES**
  - Eni 1st for Environmental Score amongst peers

- **Transition Pathway Initiative**
  - Eni 1st amongst peers for competitiveness of unsanctioned portfolio economics, emission reduction targets and medium-long term price scenario

- **Top Level 4 Star Strategic Assessment** for Management Quality
NATURAL RESOURCES

UPSTREAM | EBIT Adj € BLN

<table>
<thead>
<tr>
<th>Brent ($/bbl)</th>
<th>PSV (€/kmc)</th>
<th>FX</th>
</tr>
</thead>
<tbody>
<tr>
<td>64.7</td>
<td>175</td>
<td>1.124</td>
</tr>
</tbody>
</table>

9M 2019: 6.59
9M 2020: 0.75

GLOBAL GAS & LNG PORTFOLIO | EBIT Adj € BLN

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

9M 2019: 0.24
9M 2020: 0.43

2020 PRODUCTION CONFIRMED 1.72 – 1.74 Mboed
CCS – CARBON CAPTURE & STORAGE

**ADRIATIC BLUE**

RAVENNA, ITALY

2022
DEMO STARTUP

2026
STARTUP

**UK PROJECTS**

LIVERPOOL BAY

OCT ‘20: LICENCE AWARDED

2025: EXPECTED STARTUP

TEESSIDE

OGCI FIRST CCUS HUB

2025: EXPECTED STARTUP

**FIRST CCS PROJECT IN THE MEDITERRANEAN**

**THIRD PARTY EMISSIONS**

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

2020 TARGET EXPLORATION DISCOVERY
> 300 MBOE EQUITY
UEC ~ 2 $/bbl

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
ENERGY EVOLUTION

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

<table>
<thead>
<tr>
<th>Year</th>
<th>FEEDSTOCK: 80% 2nd &amp; 3rd GEN</th>
<th>FEEDSTOCK: 20% 2nd &amp; 3rd GEN</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>1.1 MTPA</td>
<td>1.3 MTPA</td>
</tr>
</tbody>
</table>

## Internal Rate of Return

- **15%**
- **€ 60 MLN**
- **9M EBIT ADJ**
CASH RESULTS

9M CASHFLOW | € bln

CONFIRMED

2020 CFFO

€ 6.5 bln
@ $ 40/BBL

CFFO & 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>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Production</strong></td>
<td>1.72 - 1.74 mboed</td>
</tr>
<tr>
<td><strong>Exploration discoveries</strong></td>
<td>&gt; 300 mln boe</td>
</tr>
<tr>
<td><strong>GGP Adj EBIT</strong></td>
<td>€ 0.2 bln</td>
</tr>
<tr>
<td><strong>Energy Evolution Adj EBIT</strong></td>
<td>&gt; € 0.3 bln</td>
</tr>
<tr>
<td><strong>CFFO @ 40 $/bl</strong></td>
<td>~ € 6.5 bln</td>
</tr>
<tr>
<td><strong>CAPEX</strong></td>
<td>~ € 5.2 bln</td>
</tr>
<tr>
<td><strong>Gross Disposals</strong></td>
<td>~ € 1 bln</td>
</tr>
<tr>
<td><strong>Leverage</strong> (pre IFRS 16 lease liabilities)</td>
<td>&lt; 0.3</td>
</tr>
</tbody>
</table>
## MARKET SCENARIO

### BRENT | $/bbl

<table>
<thead>
<tr>
<th></th>
<th>9M 2019</th>
<th>9M 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>64.7</td>
<td>40.8</td>
<td></td>
</tr>
</tbody>
</table>

### EXCHANGE RATE | €/$

<table>
<thead>
<tr>
<th></th>
<th>9M 2019</th>
<th>9M 2020</th>
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</thead>
<tbody>
<tr>
<td>1.124</td>
<td>1.125</td>
<td></td>
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</table>

### EUROPEAN GAS PRICES | €/kcm

<table>
<thead>
<tr>
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<th>PSV</th>
<th>TTF</th>
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<tr>
<td>97</td>
<td>81</td>
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</tr>
</tbody>
</table>

### STANDARD ENI REFINING MARGIN | $/bbl

<table>
<thead>
<tr>
<th></th>
<th>9M 2019</th>
<th>9M 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.4</td>
<td>2.2</td>
<td></td>
</tr>
</tbody>
</table>
ASSUMPTIONS AND SENSITIVITY

### 4YP Scenario

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brent dated ($/bbl)</td>
<td>42</td>
<td>48</td>
<td>55</td>
<td>60</td>
</tr>
<tr>
<td>FX avg ($/€)</td>
<td>1.143</td>
<td>1.130</td>
<td>1.150</td>
<td>1.180</td>
</tr>
<tr>
<td>Ural MED c.i.f. - Med Dated Strip ($/bbl)</td>
<td>-0.4</td>
<td>-1.3</td>
<td>-1.4</td>
<td>-1.5</td>
</tr>
<tr>
<td>Std. Eni Refining Margin ($/bbl)</td>
<td>2.4</td>
<td>4.3</td>
<td>4.5</td>
<td>4.6</td>
</tr>
<tr>
<td>NBP ($/mmbtu)</td>
<td>2.8</td>
<td>4.1</td>
<td>4.8</td>
<td>5.1</td>
</tr>
<tr>
<td>PSV (€/kcm)</td>
<td>104</td>
<td>147</td>
<td>163</td>
<td>167</td>
</tr>
</tbody>
</table>

### Sensitivity 2020

<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>0.23</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.*