Eni 2013-2016 Strategic Plan
Well positioned to deliver growth and returns

- **E&P: exceptional growth opportunities**
  - **> 4% hydrocarbon production CAGR to 2016, >3% 2016-2022**
- **G&P: positioning business for sustainable profitability**
  - **under renegotiation 80% of supply volumes to be purchased**
- **R&M: efficiency program relaunch and optimization**
  - **>€500m of EBIT enhancement by 2016**
- **Versalis: confirmed turnaround**
  - **~€500m of EBIT enhancement by 2016**
- **Transformed balance sheet**
  - **New leverage target range 10-30%**
- **New shareholders distribution policy:**
  - **2013 dividend proposal expected at €1.10 (+~2% vs 2012)**
  - **New buyback programme**

London, 14 March 2013 – Paolo Scaroni, CEO of Eni, today presents the company's 2013-2016 Strategic Plan to the financial community.

In the new plan, Eni targets:

- high hydrocarbon production growth, supported by exceptional exploration successes;
- sustainable profitability in G&P, through the supply contracts renegotiation, a focus on premium retail and LNG segments and sales and trading integration;
- an ambitious cost reduction program and optimization of refining activities aimed at recovering profitability in R&M;
- more incisive actions for development and rationalisations in Chemicals.

Exploration & Production

Eni confirms its strategy of production growth, raising its average annual target to over 4% in the 2013- 2016 period. This growth is based on a scenario of $90/bbl to 2016, but it is resilient to higher oil prices.

Eni's growth strategy is founded on organic development, thanks to the significant contribution coming from key development hubs including – Russia (Yamal), the Barents Sea, Kazakhstan, Venezuela, the Far Eastand the sub-Saharan region.

Projects due to come onstream over the plan period will add over 700kboe/d of production by 2016. 80% of this new production will come from giant projects, and 40% will come from additional development phases of producing fields.

Beyond the plan period, production growth of over 3% per year to 2022 will be based on our diversified and synergic development pipeline, and on a low decline rate of about 4%, coming from dynamic reservoir management and intense production optimization activities.

Gas & Power

The outlook on the gas market environment, especially in Italy, remains challenging mainly due to a still weak macroeconomic environment. As a result, the Italian market is still oversupplied, lacking physical export capacity which would allow the reverse flow of significant take or pay volumes delivered to Italy.

In this context, Eni is renegotiating the most of the supply contracts in its portfolio. The renegotiations aim at realigning gas purchased with those of the prevailing hubs, aiming also at obtaining more flexibility in the volumes of the take or pay contracts.

On the commercial front, Eni will continue to focus on solid segments like retail and LNG, and support margins in wholesale through the enrichment of its portfolio with flexible and innovative products as today's market requires.

This is facilitated by the integration of this segment with trading within a new organization.

The EBITDA proforma adj expected in 2016 will be approximately 1.5bln euro.

Refining & Marketing

In Refining, Eni will increase the flexibility of its plants, optimizing the production cycles, reducing costs and exploiting its proprietary technologies. A key project will be the conversion of the Venice refinery into a bio-refinery to recover profitability.
The EST (Eni Slurry Technology), plant in Sannazzaro refinery, exploiting our proprietary technology for the full conversion of the barrel, will be on stream in the second half of 2013, improving the competitiveness of our refining system.

In Marketing, results will increase thanks to the completion of the re-branding of the distribution network, the automation of petrol stations and the expansion of non-oil activities as well as sales abroad.

Eni is targeting an EBIT enhancement of more than €500 million to 2016.

Versalis

The scenario for basic chemicals in Europe is characterized by increasing pressure on prices. Eni’s strategy will be focused on greater exposure on high value segments and growing markets.

Even excluding any improvement in the scenario, Eni expects to reach break-even by the end of the plan period thanks to further rationalisation and integration and the refocusing of the portfolio on valuable segments and growing markets.

Segments of interest include elastomers, with targeted production growth of over 60% to 2016, and green chemicals. In 2013 there will be the start-up of the first two lines in the Matrica plant, a joint venture with Novamont in Porto Torres, one of the biggest biochemical projects in the world.

Eni is committed to the expansion of its emerging markets activities through strategic partnerships and will continue to promote initiatives to improve the efficiency of its plants and processes.

The new plan increases Eni's target from >€400 by 2015 to over €500 million by 2016.

Financial strategy

Eni's strategic growth prospects are supported by a transformed balance sheet, with net debt at the end of 2012 almost halved compared with 2011. This stronger financial position is coherent with our new business profile, more exposed to the E&P business. Eni expects to maintain leverage within a target range of 10-30%, using this flexibility to absorb temporary fluctuations in oil prices, in market environments and in our business results.

Eni plans to make approximately €56.8 billion of investments over the 2013-2016 period, an increase, at the exchange rate euro/dollar of approximately €1.6 bln over the last plan period. The increase is largely related to the new growth opportunities in E&P, including Mozambique.

The capex plan will be funded by strong cash generation in the region of €20 bln per year over the period, driven by increasing E&P production, the gradual recovery in our mid and downstream businesses, and over €10bn of disposal opportunities including Galp and Snam, and some rebalancing in our E&P portfolio.

New shareholder distribution policy

Given its modified business profile and the strengthened balance sheet, Eni plans to adopt a new shareholder distribution policy. This consists of a progressive dividend, and a new buyback program.

The sustainability of a progressive dividend is compatible with the prices scenario expected in the plan, a gradual recovery of the European gas demand and it leverages on the underlying earnings and cashflow growth expected during the plan period.

According to this policy and our projections for 2013, the Eni board intends to propose a dividend of €1.10/sh, an increase of around 2% on 2012.

The buyback will be activated at management's discretion and when a number of conditions are met. These include, but are not limited to, satisfactory leverage, well-within our target range limit of 30%, and full coverage for capex and dividends throughout the plan period.

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