Good afternoon Ladies and Gentlemen, and welcome to our third quarter results presentation.

Here with me today are Claudio Descalzi and Domenico Dispenza. We will give you a brief overview of our third quarter results and then we will be happy to answer your questions at the end of the presentation.

In the third quarter of 2010, the macro environment showed a positive trend compared to the same period of last year. The Brent price averaged 77 dollars a barrel, up 13% compared to the third quarter of 2009.

The average European refining margin Brent/Ural was 2.44 $/bbl, up slightly versus the corresponding period of 2009, although it remained depressed compared to historical trends, and at nearly half the level compared to the second quarter of 2010.

Finally, the euro depreciated by almost 10% versus the US dollar compared to the corresponding period last year.

Moving to our results, adjusted operating profit in the third quarter amounted to 4.1 billion euro, up 32% year-on-year. This result mainly reflected the stronger contribution of the Exploration & Production and the Refining & Marketing divisions, which was partially offset by lower results in Gas&Power.

Adjusted net profit for the third quarter was 1.7 billion euro, up 47.5% year on year. This result reflected improved operating performance and was supported by a lower adjusted tax rate (down by 5 percentage points in the third quarter).

The low tax rate registered in the quarter was primarily due to:

- the utilization of previously taxed provisions;
- and the positive contribution to this quarter’s pre-tax profit of forex hedging derivatives (which benefit from a lower tax rate).

The guidance for the adjusted tax rate for the full year 2010 is now around 55%.

In the third quarter of 2010 Eni reported oil and natural gas production of 1,705 kboe/d. Production was largely unchanged from a year-ago when excluding the effect of the updated gas conversion rate.

Our performance was positively impacted by organic growth achieved in Nigeria, Congo and Italy and by 92 kboed of new production from start-ups and ramp-up of fields which were started from Q4 2009. These increases were offset by planned facility shutdowns in Kazakhstan, mature field declines and lower gas uplifts in Libya (down 8kboe/d year on year) due to oversupply conditions in the European gas market.
Third quarter adjusted operating profit amounted to 3.3 billion euro, up 35% compared to the third quarter of 2009. This was mainly the result of higher oil and gas realizations in dollars and of the positive impact of the depreciation of the euro over the dollar.

In Gas & Power, persistent gas oversupply in Europe and increasing competitive pressures – particularly in Italy - continued to affect our performance in the third quarter.

The overall gas volumes sold, including both consolidated and associated companies, totalled 17.4 bcm, a decrease of around 17.5% year on year.

Adjusted operating profit decreased by 38% compared to the same period of 2009.

Such a result does not include 47 million euro of gains from derivatives recorded in previous quarters, but which could be associated with the sales of gas and electricity occurred in the third quarter. The EBITDA pro-forma adjusted, instead, includes those derivatives in the reporting period of the relevant sales.

G&P adjusted proforma Ebitda for the third quarter of 2010 was 675 million euro, compared to 703 million euro in the third quarter of 2009.

Adjusted pro-forma Ebitda in the Marketing business showed a decline, with mounting competitive pressure resulting in lower volumes and margins. Electricity margins also declined in the quarter. These negative factors were partially compensated by the renegotiation of certain long term supply contracts as well as portfolio optimization.

The Regulated businesses generated 368 million euro, up 9% versus the corresponding period of last year. The increase mainly reflects the recognition of new investments in tariffs, as well as the remuneration of fuel gas costs, the higher volumes transported and the synergies achieved from the integration of Italgas and Stogit.

Finally, International Transportation results showed a 16% increase, as a result of the return to full capacity of the TMPC pipeline, which had been damaged in an accident in December 2008, as well as the better performance of Tag related to the auctions of new capacity, partially offset by the accident occurred to Transitgas in July.

Turning now to R&M, utilization rates increased by 6 percentage points year-on-year as a result of lower maintenance activity and improved margins, in particular in lubricants.

In the third quarter of 2010, the division reported an adjusted operating profit of 14 million euro. This was predominantly achieved thanks to the Marketing activities, which saw higher volume sales on European networks and a less severe trading environment compared to the previous year. These results were delivered despite declining retail sales in Italy due to lower domestic consumption and strong competition.

The improved results also reflected a better performance from the refining business, which was boosted by cost efficiencies, optimization of supply activities and integration efforts among the domestic refining units. Eni’s margins also benefited from a slight re-opening of light-heavy crude differentials in the Mediterranean area.

In the third quarter of 2010, results in the Petrochemical business continued the recovery showed in the last quarters, reporting an adjusted operating profit of 31 million euro, driven by stronger volumes sold and higher cracker margins realized by the olefin products.
Saipem delivered adjusted operating profits of 316 million euro, up 18% versus Q3 2009 mainly due to increased activity in the Onshore and Drilling segments. Other Activities and Corporate showed an aggregated loss of 93 million euro versus a loss of 146 million euro in the third quarter of 2009.

Cash flow from operations was 11.6 billion euro in the first nine months of 2010. Proceeds from divestments amounted to 900 million euro, including non-strategic upstream assets, the sales of a 51% interest in SeverEnergia and a 25% stake in the GreenStream pipeline. The cash inflows were used to partly fund cash outflows relating to capital expenditure of 10 billion euro and dividend payments of 4 billion euro, which included the payment of the interim dividend 2010.

Net financial debt, as at the end of September, amounted to 25.3 billion euro. In addition to the increase in net debt, Group leverage at September 30 was also impacted by the swift appreciation of the euro vs the US dollar during the third quarter. This reduced net equity by around 3.4 billion euro compared to June 30 and caused the net debt to equity ratio to rise to 0.47 vs 0.41 at the end of the second quarter.

Assuming the current US dollar-euro exchange rate to year end, management forecasts that the ratio of net borrowings to total equity (leverage) at year-end will be at the same level as at 2009 year-end, supported by measures to optimize working capital.

Thank you for your attention and now, together with Claudio Descalzi and Domenico Dispenza, I would be happy to answer any questions you may have.