



ENI 2010 CONSOLIDATED FINANCIAL STATEMENTS AND DRAFT FINANCIAL STATEMENTS OF THE PARENT COMPANY

CONVENING OF THE ANNUAL SHAREHOLDERS' MEETING

- **Consolidated net profit for the year: €6.32 billion; net profit of the parent company: €6.18 billion**
- **Proposed dividend per share of €1.00**

San Donato Milanese, March 10, 2011 – Today, the Board of Directors approved Eni's consolidated financial statements and the draft financial statements of the parent company for the year ended December 31, 2010. As announced on February 16, 2011 with respect to Eni's preliminary results, consolidated net profit amounted to €6,318 million and net profit of the parent company amounted to €6,179 million ¹.

The Board of Directors intends to submit a proposal for the distribution of a cash dividend of €1.00 per share ² (€ 2.00 per ADR) at the Annual Shareholders' Meeting. Included in this annual payment is €0.50 per share which was paid as an interim dividend in September 2010. The balance of €0.50 per share (€1.00 per ADR ³) is payable to shareholders on May 26, 2011, the ex-dividend date being May 23, 2011.

The 2010 Annual Report was submitted to the Board of Statutory Auditors and Eni's independent auditors. In accordance with the Legislative Decree No. 58/98 (Testo Unico della Finanza) provisions, the 2010 Annual Report will be made available to the public at the Company headquarters and on Eni's website eni.com together with statutory and external auditors' reports, at the end of March.

Enclosed are the 2010 IFRS Financial Statements of Eni's group companies and of the parent company as included in the approved Annual Report.

The Board of Directors also approved:

- the Report on Corporate Governance and Shareholding Structure, which will be sent to Borsa Italiana SpA and published on Eni's website, in the "Corporate Governance" section, together with the 2010 Annual Report;
- the 2010 sustainability performance reporting, which has been included in the Annual Report to integrate financial results and sustainability performance. Eni is one of the first companies in the world to be engaged in this integrated reporting process. In addition, all indicators and key projects of sustainability will be released in the "Sustainability Performance 2010" report, published together with the 2010 Annual Report and subject to the same review process by the Independent auditor Ernst & Young, which will release a single opinion on both documents, in accordance with the ISAE 3000 international audit standard issued by IFAC.

Convening of the Annual Shareholders' Meeting on April 29 and May 5, 2011

The Board of Directors convened the Annual Shareholders' Meeting on April 29 and May 5, 2011, on first and second call respectively, to approve the 2010 financial statements of the parent company and the dividend proposal as well as to appoint corporate bodies.

(1) The press release on Eni's preliminary results for the year 2010, published on February 16, 2011, is available on Eni's website, eni.com, section Investor Relations.

(2) Dividends are not entitled to tax credit and, depending on the receiver, are subject to a withholding tax on distribution or are partially cumulated to the receiver's taxable income.

(3) On ADR payment date, JPMorgan Chase Bank, N.A. will pay the dividend less the entire amount of a withholding tax under Italian law (currently 27%) to all Depository Trust Company Participants, representing payment of Eni SpA's balance dividend for fiscal year 2010.

Eni's Chief Financial Officer, Alessandro Bernini, in his capacity as manager responsible for the preparation of the Company's financial reports, certifies pursuant to rule 154-bis paragraph 2 of Legislative Decree No. 58/1998, that data and information disclosed in this press release correspond to the Company's evidence and accounting books and records.

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Eni

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Share capital: €4,005,358.876 fully paid

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*This press release is also available on the Eni web site **eni.com**.*

About Eni

Eni is one of the leading integrated energy companies in the world operating in the oil and gas, power generation, petrochemicals, engineering and construction industries. Eni is present in 79 Countries and is Italy's largest company by market capitalization

Attachment

IFRS Consolidated Financial Statement

PROFIT AND LOSS ACCOUNT

(€ million)

	Full year	
	2009	2010
REVENUES		
Net sales from operations	83,227	98,523
Other income and revenues	1,118	956
Total revenues	84,345	99,479
OPERATING EXPENSES		
Purchases, services and other	58,351	69,135
- of which non-recurring charge	250	(246)
Payroll and related costs	4,181	4,785
OTHER OPERATING (EXPENSE) INCOME	55	131
DEPRECIATION, DEPLETION, AMORTIZATION AND IMPAIRMENTS	9,813	9,579
OPERATING PROFIT	12,055	16,111
FINANCE INCOME (EXPENSE)		
Finance income	5,950	6,117
Finance expense	(6,497)	(6,713)
Derivative financial instruments	(4)	(131)
	(551)	(727)
INCOME (EXPENSE) FROM INVESTMENTS		
Share of profit (loss) of equity-accounted investments	393	537
Other gain (loss) from investments	176	619
	569	1,156
PROFIT BEFORE INCOME TAXES	12,073	16,540
Income taxes	(6,756)	(9,157)
Net profit	5,317	7,383
Attributable to:		
- Eni shareholders	4,367	6,318
- Non-controlling interest	950	1,065
	5,317	7,383
Earnings per share attributable to Eni (€ per share)		
Basic	1.21	1.74
Diluted	1.21	1.74

BALANCE SHEET

(€ million)

	Jan. 1, 2009	Dec. 31, 2009	Dec. 31, 2010
ASSETS			
Current assets			
Cash and cash equivalents	1,939	1,608	1,549
Other financial assets held for trading or available for sale	3,236	348	382
Trade and other receivables	22,222	20,348	23,636
Inventories	6,082	5,495	6,589
Current tax assets	170	753	467
Other current tax assets	1,130	1,270	938
Other current assets	1,870	1,307	1,350
	36,649	31,129	34,911
Non-current assets			
Property, plant and equipment	55,933	59,765	67,404
Inventory - compulsory stock	1,196	1,736	2,024
Intangible assets	11,019	11,469	11,172
Equity-accounted investments	5,471	5,828	5,668
Other investments	410	416	422
Other financial assets	1,134	1,148	1,523
Deferred tax assets	2,912	3,558	4,864
Other non-current receivables	1,881	1,938	3,355
	79,956	85,858	96,432
Assets held for sale	68	542	517
TOTAL ASSETS	116,673	117,529	131,860
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term debt	6,359	3,545	6,515
Current portion of long-term debt	549	3,191	963
Trade and other payables	20,515	19,174	22,575
Income taxes payable	1,949	1,291	1,515
Other taxes payable	1,660	1,431	1,659
Other current liabilities	3,863	1,856	1,620
	34,895	30,488	34,847
Non-current liabilities			
Long-term debt	13,929	18,064	20,305
Provisions for contingencies	9,506	10,319	11,792
Provisions for employee benefits	947	944	1,032
Deferred tax liabilities	5,784	4,907	5,924
Other non-current liabilities	3,102	2,480	2,194
	33,268	36,714	41,247
Liabilities directly associated with assets held for sale		276	38
TOTAL LIABILITIES	68,163	67,478	76,132
SHAREHOLDERS' EQUITY			
Non-controlling interest	4,074	3,978	4,522
Eni shareholders' equity:			
Share capital	4,005	4,005	4,005
Reserves	40,722	46,269	49,450
Treasury shares	(6,757)	(6,757)	(6,756)
Interim dividend	(2,359)	(1,811)	(1,811)
Net profit	8,825	4,367	6,318
Total Eni shareholders' equity	44,436	46,073	51,206
TOTAL SHAREHOLDERS' EQUITY	48,510	50,051	55,728
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	116,673	117,529	131,860

STATEMENT OF CASH FLOWS

(€ million)

	Full year	
	2009	2010
Net profit of the year	5,317	7,383
<i>Adjustments to reconcile net profit to net cash provided by operating activities:</i>		
Depreciation, depletion and amortization	8,762	8,881
Impairments of tangible and intangible assets, net	1,051	698
Share of loss of equity-accounted investments	(393)	(537)
Gain on disposal of assets, net	(226)	(552)
Dividend income	(164)	(264)
Interest income	(352)	(96)
Interest expense	603	571
Income taxes	6,756	9,157
Other changes	(319)	(39)
Changes in working capital:		
- inventories	52	(1,150)
- trade receivables	1,431	(1,918)
- trade payables	(2,559)	2,770
- provision for contingencies	517	588
- other assets and liabilities	(636)	(2,010)
<i>Cash flow from changes in working capital</i>	<i>(1,195)</i>	<i>(1,720)</i>
Net change in the provisions for employee benefits	16	21
Dividends received	576	799
Interest received	594	126
Interest paid	(583)	(600)
Income taxes paid, net of tax receivables received	(9,307)	(9,134)
Net cash provided from operating activities	11,136	14,694
Investing activities:		
- tangible assets	(12,032)	(12,308)
- intangible assets	(1,663)	(1,562)
- consolidated subsidiaries and businesses	(25)	(143)
- investments	(230)	(267)
- securities	(2)	(50)
- financing receivables	(972)	(866)
- change in payables and receivables in relation to investments and capitalized depreciation	(97)	261
<i>Cash flow from investments</i>	<i>(15,021)</i>	<i>(14,935)</i>
Disposals:		
- tangible assets	111	272
- intangible assets	265	57
- consolidated subsidiaries and businesses		215
- investments	3,219	569
- securities	164	14
- financing receivables	861	841
- change in payables and receivables in relation to disposals	147	2
<i>Cash flow from disposals</i>	<i>4,767</i>	<i>1,970</i>
Net cash used in investing activities^(*)	(10,254)	(12,965)

continued **STATEMENT OF CASH FLOWS**

(€ million)

	Full year	
	2009	2010
Proceeds from long-term debt	8,774	2,953
Repayments of long-term debt	(2,044)	(3,327)
Increase (decrease) in short-term debt	(2,889)	2,646
	3,841	2,272
Net capital contributions by non-controlling interest	1,551	
Net acquisition of treasury shares different from Eni SpA	9	37
Acquisition of additional interests in consolidated subsidiaries	(2,068)	
Dividends paid to Eni shareholders	(4,166)	(3,622)
Dividends paid by consolidated subsidiaries to non-controlling interests	(350)	(514)
Net purchase of treasury shares		
Net cash used in financing activities	(1,183)	(1,827)
Effect of exchange rate changes on cash and cash equivalents and other changes	(30)	39
Net cash flow for the period	(331)	(59)
Cash and cash equivalents - beginning of the period	1,939	1,608
Cash and cash equivalents - end of the period	1,608	1,549

(*) Net cash used in investing activities included investments in certain financial assets to absorb temporary surpluses of cash or as a part of our ordinary management of financing activities. Due to their nature and the circumstance that they are very liquid, these financial assets are netted against finance debt in determining net borrowings.

Cash flows of such investments were as follows:

(€ million)

	Full year	
	2009	2010
Financing investments:		
- securities	(2)	(50)
- financing receivables	(36)	(13)
	(38)	(63)
Disposal of financing investments:		
- securities	123	5
- financing receivables	311	32
	434	37
Net cash flows from financing activities	396	(26)

SUPPLEMENTAL CASH FLOW INFORMATION

(€ million)

	Full year	
	2009	2010
Effect of investment in companies included in consolidation and businesses		
Current assets	7	428
Non-current assets	47	297
Net borrowings	4	13
Current and non-current liabilities	(29)	(457)
Net effect of investments	29	281
Non-controlling interest		(7)
Fair value of investments held before the acquisition of control		(76)
Purchase price	29	198
less:		
<i>Cash and cash equivalents</i>	(4)	(55)
Cash flow of investments	25	143
Effect of disposal of consolidated subsidiaries and businesses		
Current assets		82
Non-current assets		855
Net borrowings		(267)
Current and non-current liabilities		(302)
Net effect of disposals		368
Fair value of non-controlling interests retained after disposals		(149)
Gain on disposal		309
Non-controlling interest		(46)
Selling price		482
less:		
<i>Cash and cash equivalents</i>		(267)
Cash flow of disposals		215

Eni SpA Financial Statement

ENI SPA PROFIT AND LOSS ACCOUNT

(€ million)

	Full year	
	2009	2010
REVENUES		
Net sales from operations	32,542	35,251
Other income and revenues	270	273
Total revenues	32,812	35,524
OPERATING EXPENSES		
Purchases, services and other	(29,216)	(32,950)
- of which non-recurring charge		270
Payroll and related costs	(1,077)	(1,218)
OTHER OPERATING (EXPENSE) INCOME	(163)	4
DEPRECIATION, DEPLETION, AMORTIZATION AND IMPAIRMENTS	(1,053)	(923)
OPERATING PROFIT	1,303	437
FINANCE INCOME (EXPENSE)		
Finance income	3,746	3,548
Finance expense	(4,099)	(3,739)
Derivative financial instruments	8	69
	(345)	(122)
INCOME (EXPENSE) FROM INVESTMENTS	4,753	5,943
- of which non-recurring charge	(250)	(24)
PROFIT BEFORE INCOME TAXES	5,711	6,258
Income taxes	(650)	(79)
NET PROFIT	5,061	6,179
Basic earnings per share (€ per share)	1.4	1.7

ENI SPA BALANCE SHEET

(€ million)

	<u>Dec. 31, 2009</u>	<u>Dec. 31, 2010</u>
ASSETS		
Current assets		
Cash and cash equivalents	428	427
Trade and other receivables	13,862	15,001
Inventories	1,266	1,906
Current tax assets	437	244
Other current tax assets	421	224
Other current assets	666	706
	17,080	18,508
Non-current assets		
Property, plant and equipment	5,930	6,161
Inventory - compulsory stock	1,637	1,957
Intangible assets	988	994
Investments	29,374	31,924
Other financial assets	9,729	10,795
Deferred tax assets	1,759	2,046
Other non-current receivables	698	1,994
	50,115	55,871
Assets held for sale	911	6
TOTAL ASSETS	68,106	74,385
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term debt	3,178	5,829
Current portion of long-term debt	2,496	558
Trade and other payables	6,205	6,581
Income taxes payable	151	75
Other taxes payable	914	1,086
Other current liabilities	969	980
	13,913	15,109
Non-current liabilities		
Long-term debt	15,935	18,338
Provisions for contingencies	3,208	3,574
Provisions for employee benefits	306	306
Other non-current liabilities	2,600	2,334
	22,049	24,552
TOTAL LIABILITIES	35,962	39,661
SHAREHOLDERS' EQUITY		
Share capital	4,005	4,005
Legal reserve	959	959
Other reserves	30,687	32,148
Net profit	5,061	6,179
Interim dividend	(1,811)	(1,811)
Treasury shares	(6,757)	(6,756)
TOTAL SHAREHOLDERS' EQUITY	32,144	34,724
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	68,106	74,385