



# **2003 First Quarter Results**

**Vittorio Mincato**

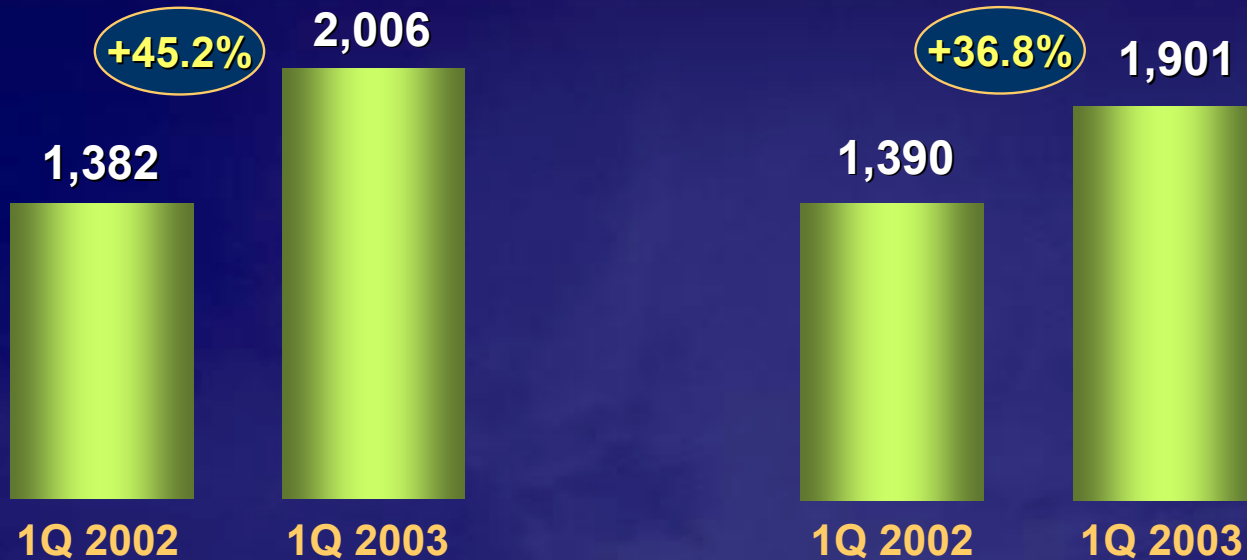
Chief Executive Officer

**May 9th, 2003**



# Eni Consolidated Results: net income

**Reported**      Million €      **Excluding non recurring items**



	1Q 2002	1Q 2003	Δ %
Brent (\$/bbl)	21.14	31.51	+49.1
Refining margins Brent (\$/bbl)	0.21	3.81	-
€/\$	0.88	1.07	+22.5

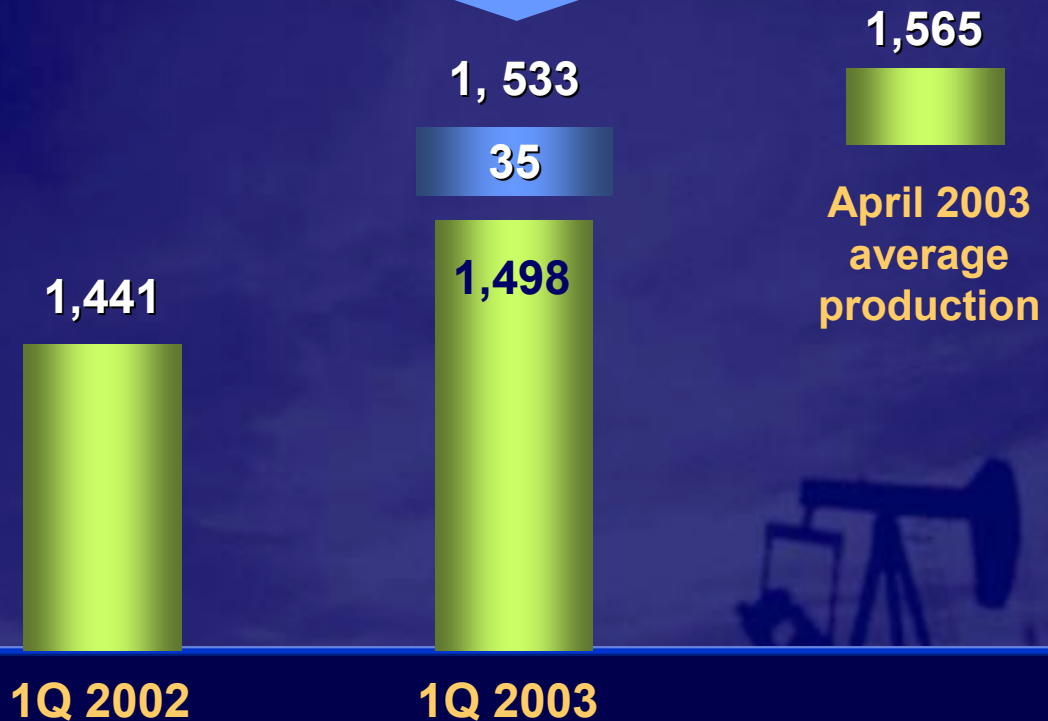


# Production Trend in Line with 2003-06 Plan Target

Thousands boe/d

Production growth  
1Q 03/1Q 02: +4%

Adding  
Venezuela impact  
1Q 03 / 1Q 02: +6.4%



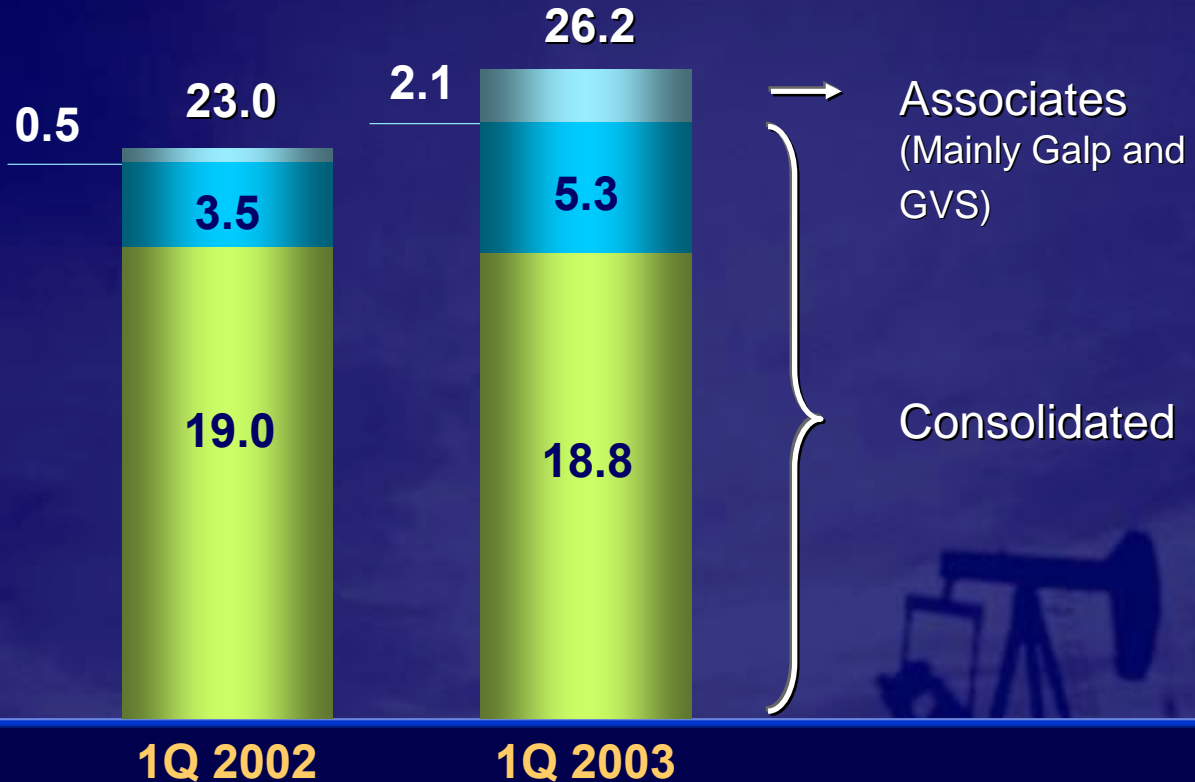


# Growth in the International Natural Gas Market

Natural gas sales  
growth 1Q 03/1Q 02: 13.9%

International  
Italy

Billion cubic meters





# Italgas Deal: commercial integration process in progress

## ■ ITALGAS

Delisted on February 7th 2003

Total cash out: €2.56 billion

Deal industrial rationale

- Establish a strong integrated commercial arm
- Increase flexibility to optimize asset base

EPS and CFPS accretive



# Recent Deals in Core Business

## ■ Fortum

- Closing finalized on March 3rd 2003
- Total cash out: US\$ 975 million

## ■ Union Fenosa Gas

- Agreement signed on March 14th 2003
- Closing subject to Spanish Government and Antitrust European Authority, expected within June

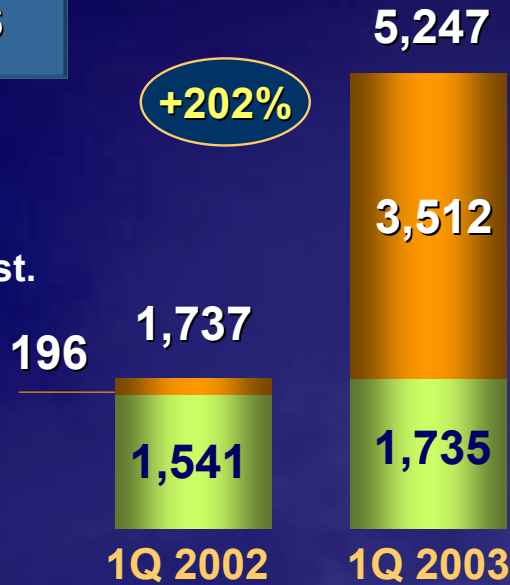


# Maintaining a Solid Financial Structure

Million €

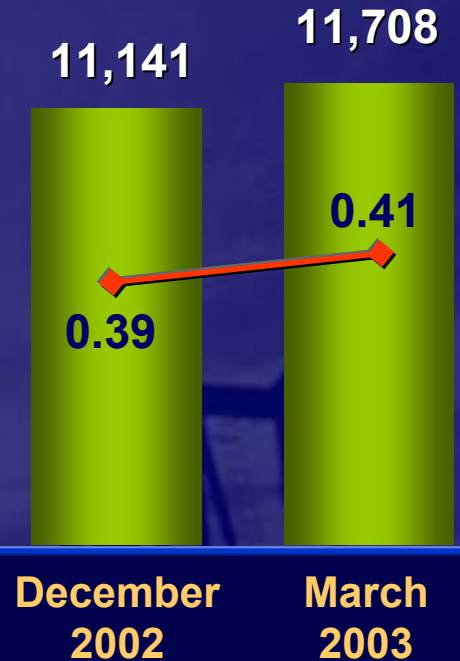
## INVESTMENTS

- Capex
- Financial invest.



Confirmed debt to equity ratio target 0.5

## NET FINANCIAL DEBT



## BUY BACK





# **2003 First Quarter Results**

**Marco Mangiagalli**

Chief Financial Officer

**May, 9th 2003**





# Eni Consolidated Result: operating profit

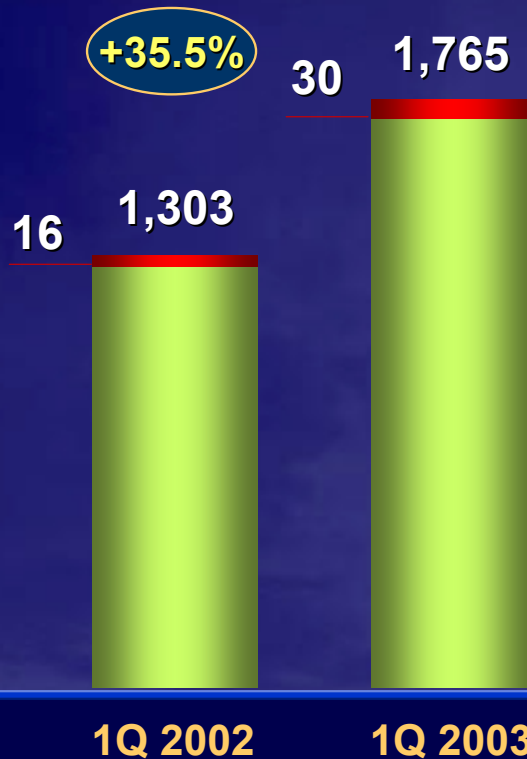




# E&P – Operating Income Analysis Excluding Non Recurring Items

Million €

■ Non recurring items



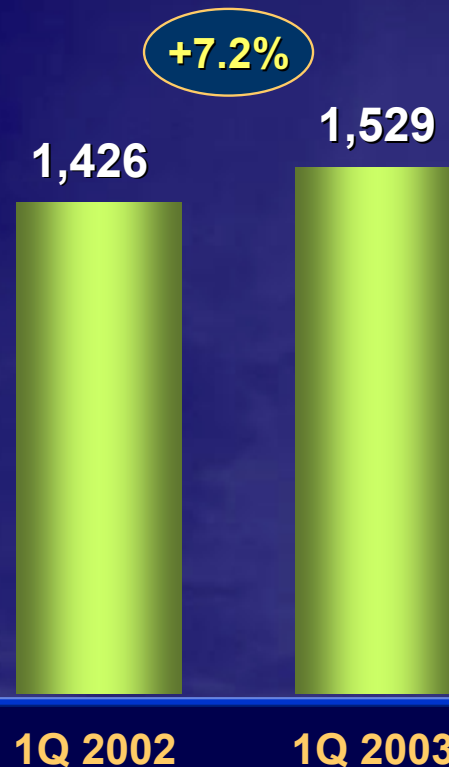
## 1Q03/1Q02 HIGHLIGHTS

- Higher oil prices
- Euro vs US\$ appreciation
- Lower storage tariffs
- Lower production sold



# G&P – Operating Income Analysis Excluding Non Recurring Items

Million €



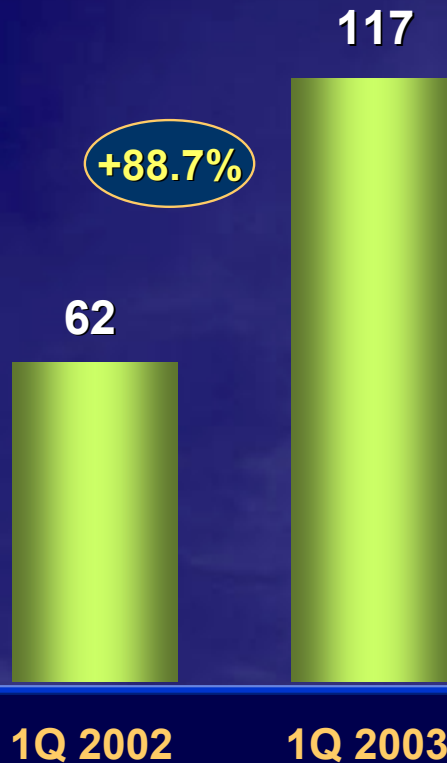
## 1Q03/1Q02 HIGHLIGHTS

- Higher volume sold
- Higher margins on sales both in primary and secondary distribution
- Change in sales and purchase mix
- Italgas goodwill amortization



# R&M – Operating Income Analysis Excluding Non Recurring Items

Million €



## 1Q03/1Q02 HIGHLIGHTS

- Higher refining margins
- Maintenance activities
- Euro vs US\$ appreciation
- Lower contribution by marketing activity



# Other Businesses: operating income analysis excluding non recurring items

Million €	1Q 2002	1Q 2003	Δ %
■ Petrochemicals (Polimeri Europa)	(71)	(17)	n.m.
■ Oilfield services & engineering	86	60	(30.2)
■ Other activities*	(43)	(31)	n.m.
■ Corporate**	(50)	(60)	n.m.

\* Other activities includes: EniChem (now named Syndial) and other company not attributable to any core business

\*\* Corporate includes: Corporate activities, Eni Administrative Services and the financial companies



# 2003 First Quarter Results

Back Up

May 9th, 2003





# Main Operating Data

	1Q 2002	1Q 2003	Δ %
■ Hydrocarbon production (kboe/d)	1,441	1,498	4.0
■ Production sold (million boe)	132.8	128.6	(3.2)
■ Natural gas sales in Italy (bcm)	19.02	18.80	(1.2)
■ Natural gas sales in Europe directed to Italy (bcm)	2.04	3.59	76.0
■ Natural gas transported on behalf of third parties in Italy (bcm)	4.55	5.90	29.7
■ Power production sold (gwb)	1,366	1,260	(7.8)
■ Refined product sales (mil.ton.)	12.22	11.82	(3.3)
■ Petrochemical sales (thousand ton.)	1,437	1,413	(1.7)



# Results of Operations

Million €

4Q02		1Q02	1Q03	Δ %
13,223	▪ Net sales from operations	12,705	14,359	13.0
2,073	▪ Operating income	2,700	3,333	23.4
(382)	▪ Non recurring items	(13)	(30)	
2,455	▪ Operating income before non recurring	2,713	3,363	24.0
78	▪ Net financial income (expense)	(77)	(31)	(59.7)
(48)	▪ Net income from investments (expense)	3	27	-
(58)	▪ Net extraord. income (expense)	(7)	191	-
2,045	▪ Income before income taxes	2,619	3,520	34.4
(486)	▪ Income taxes	(1003)	(1384)	38
23.8%	▪ Tax rate	38.3%	39.3%	-
(159)	▪ Minority interest	(234)	(130)	(44.4)
1,400	▪ Net income	1,382	2,006	45.2
(181)	▪ Non recurring items	(8)	105	
1,581	▪ Adjusted net profit	1,390	1901	36.8





# Net Income Variance Analysis

Million €



1Q 2002

1Q 2003