2013 results and 2014-2017 strategy

February 13, 2014

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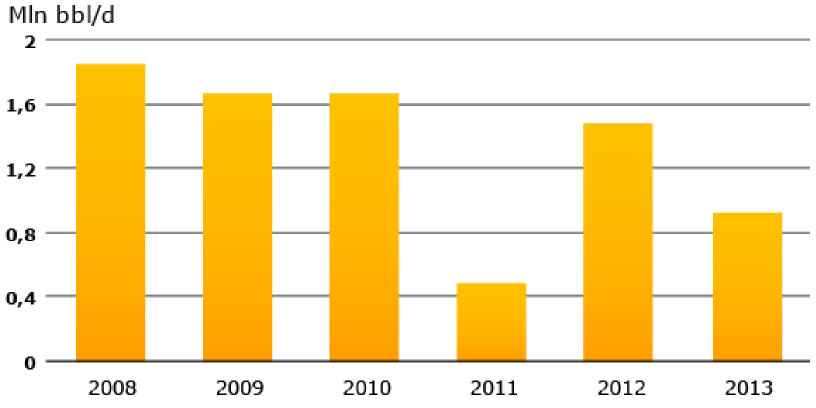
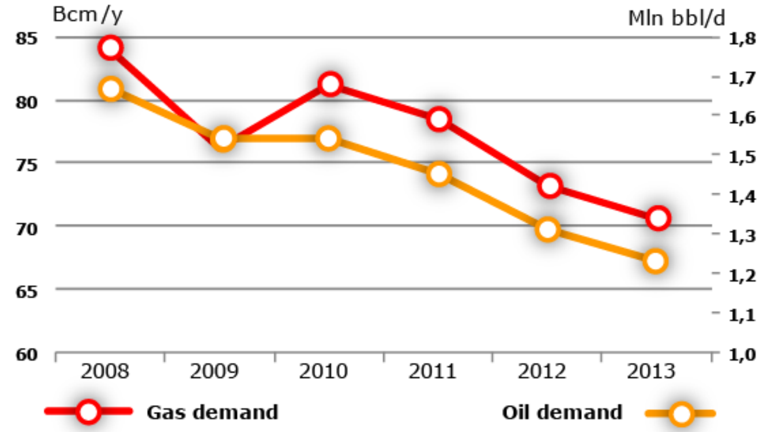
2013: despite strong headwinds in our market environment…

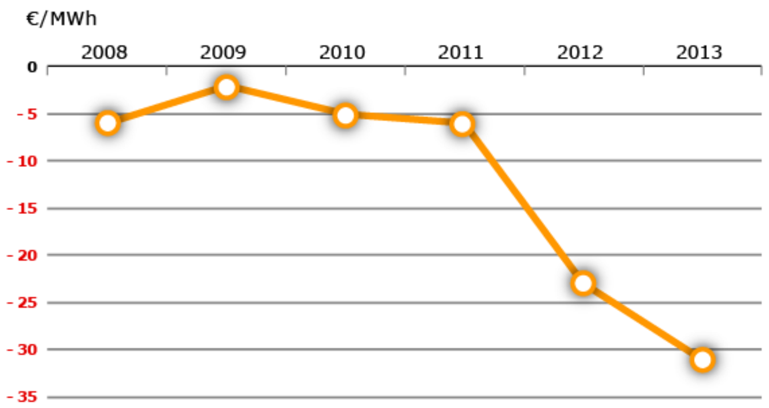
Libya total oil production



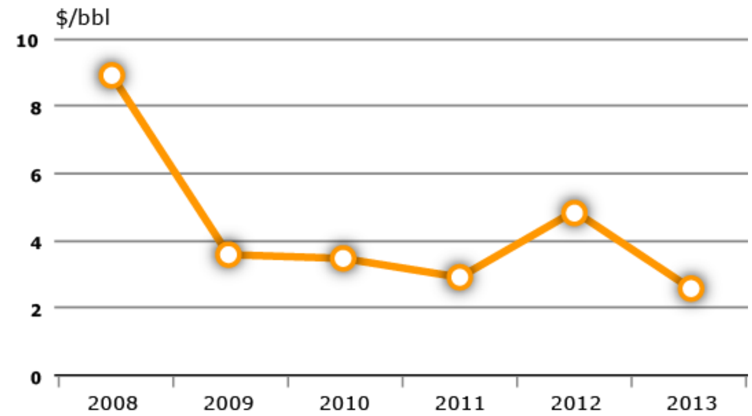
Italian oil & gas demand



delta clean / dark spark spread



TRCH margin – MED*

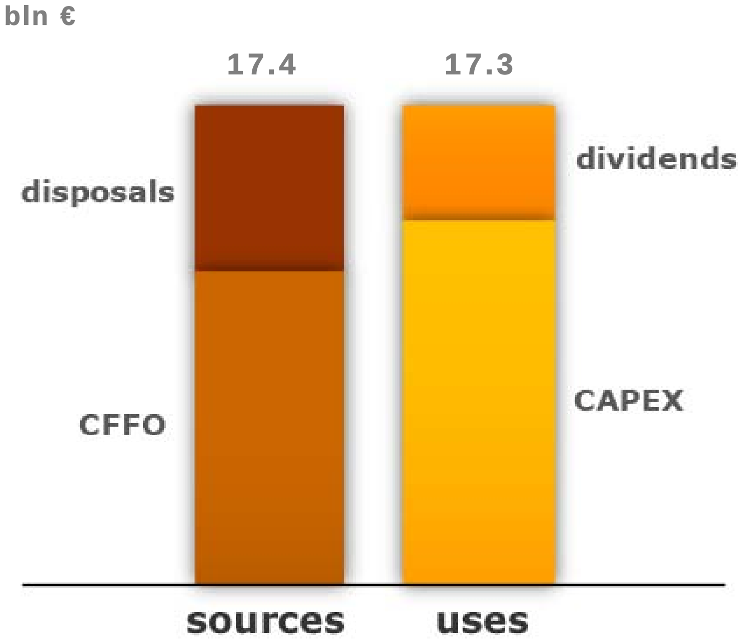


*Margin Brent/Ural

...we generated robust cash flows

- robust e&p performance
- improved downstream contribution
- disposal of excess stakes in exploration
- strict capex discipline

2013 sources and uses of cash



progressive cash distribution to shareholders

eni's resilience underpins strong cash returns in 2014-17

main assumptions

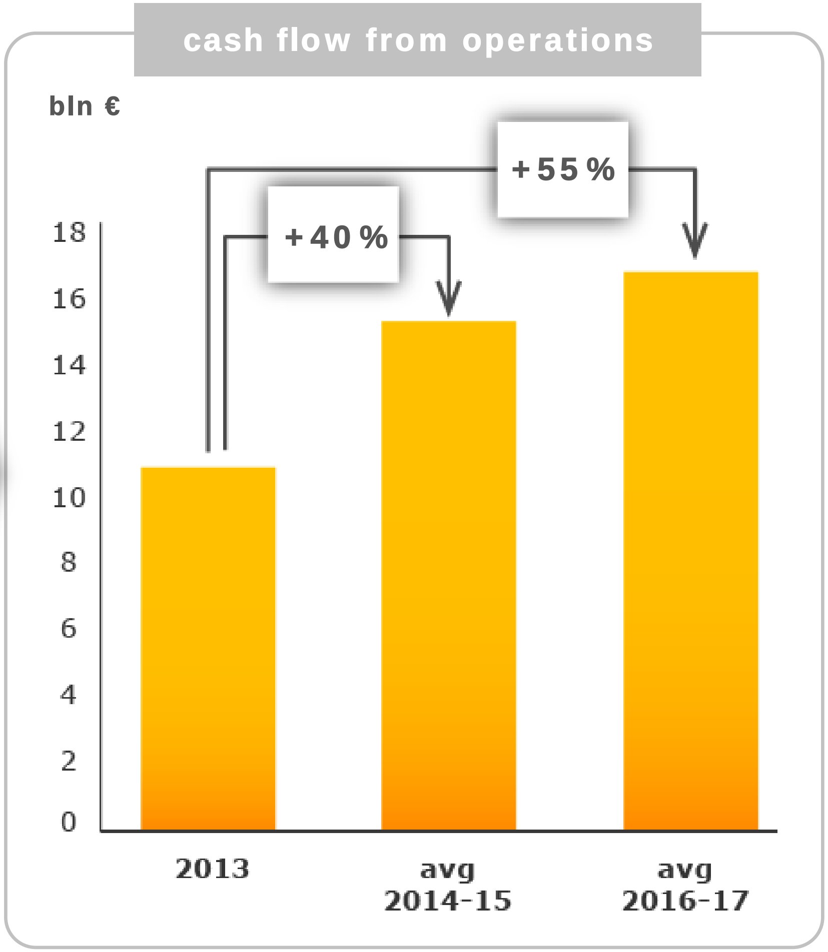
- geopolitical instability easing from 2016
- persistent weak gas market in Europe
- depressed demand for oil products
- base chemicals under strong competition

upstream

high value growth

mid / downstream

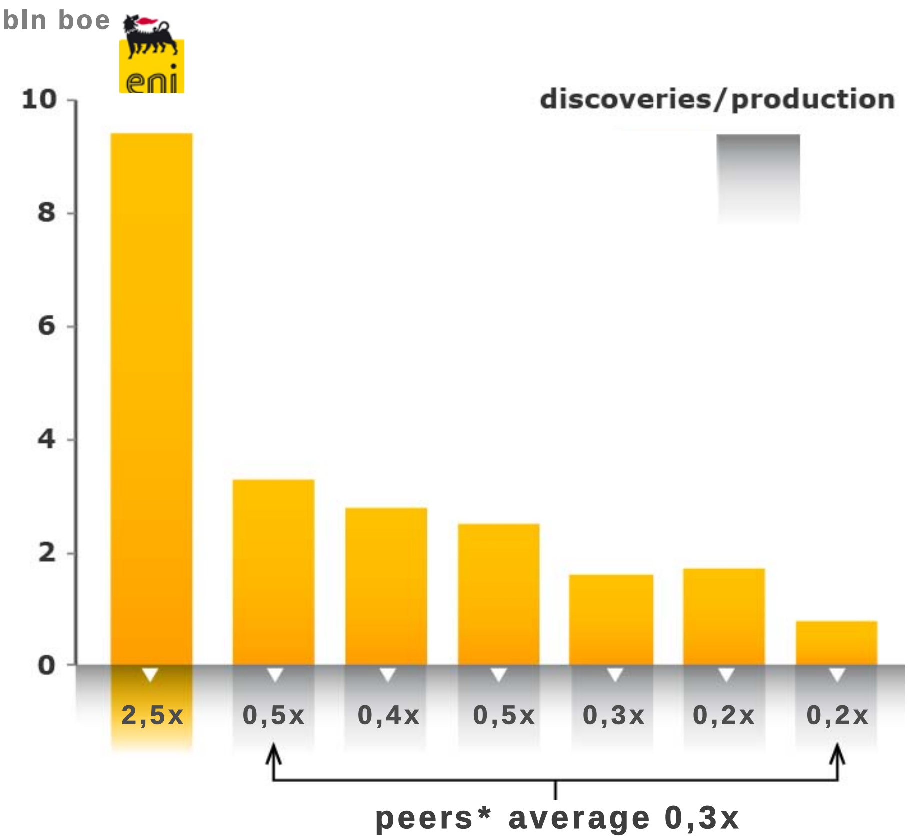
rightsizing and turnaround



scenario Brent ($/bbl): 104 (2014); 98 (2015); 94 (2016); 90 (2017)

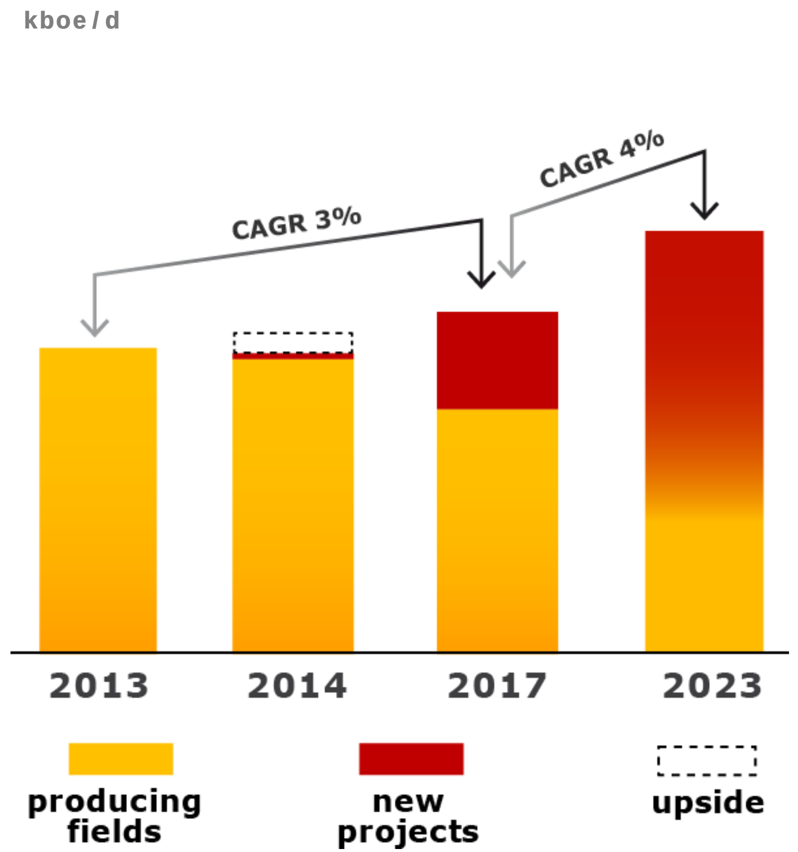
leading exploration discoveries are fuelling growth ...

discoveries vs production 2008-13

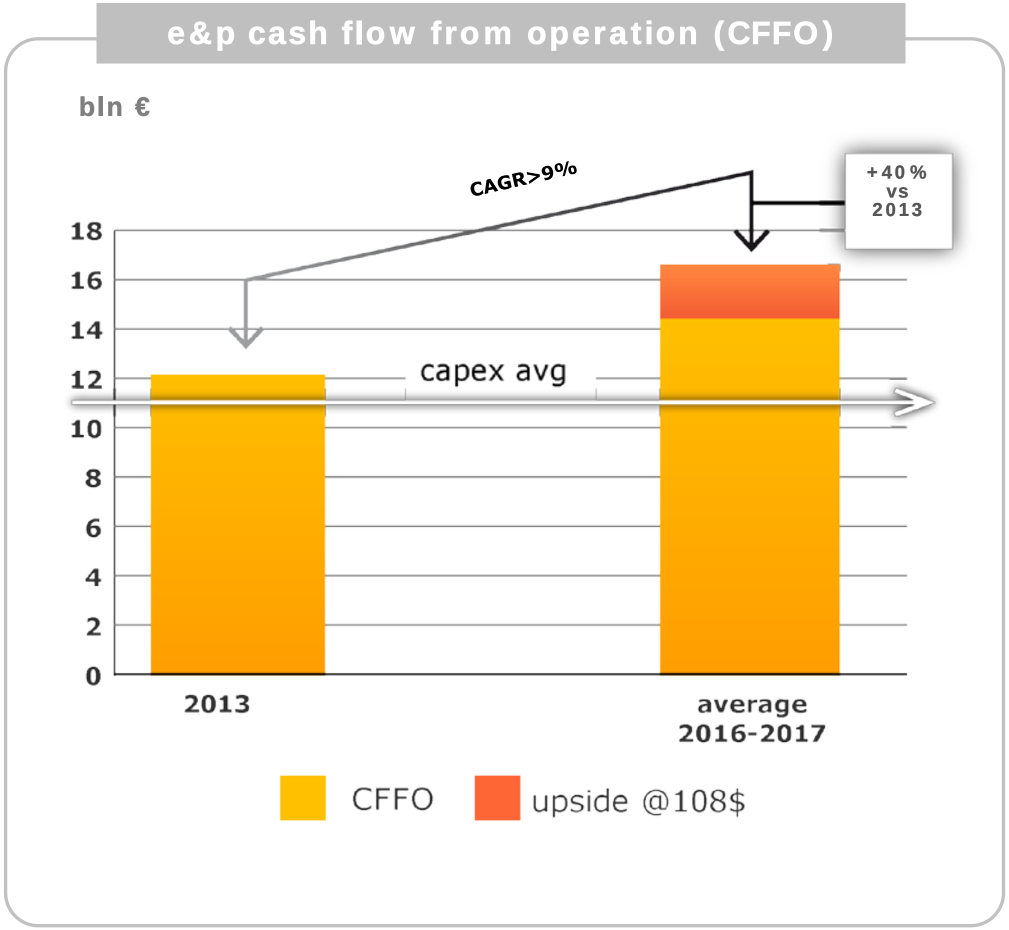


*peers = XOM, CVX, COP, BP, RDS, TOT

production growth



...and support stronger upstream cash flow



- high-margin new barrels
- oil share: from 52% to 57%
- 9% CAGR in operating cashflow*
- e&p capex 2014-2017: -5% vs previous plan

* at 108$/bbl flat scenario

mid/downstream restructuring support cash targets

g&p

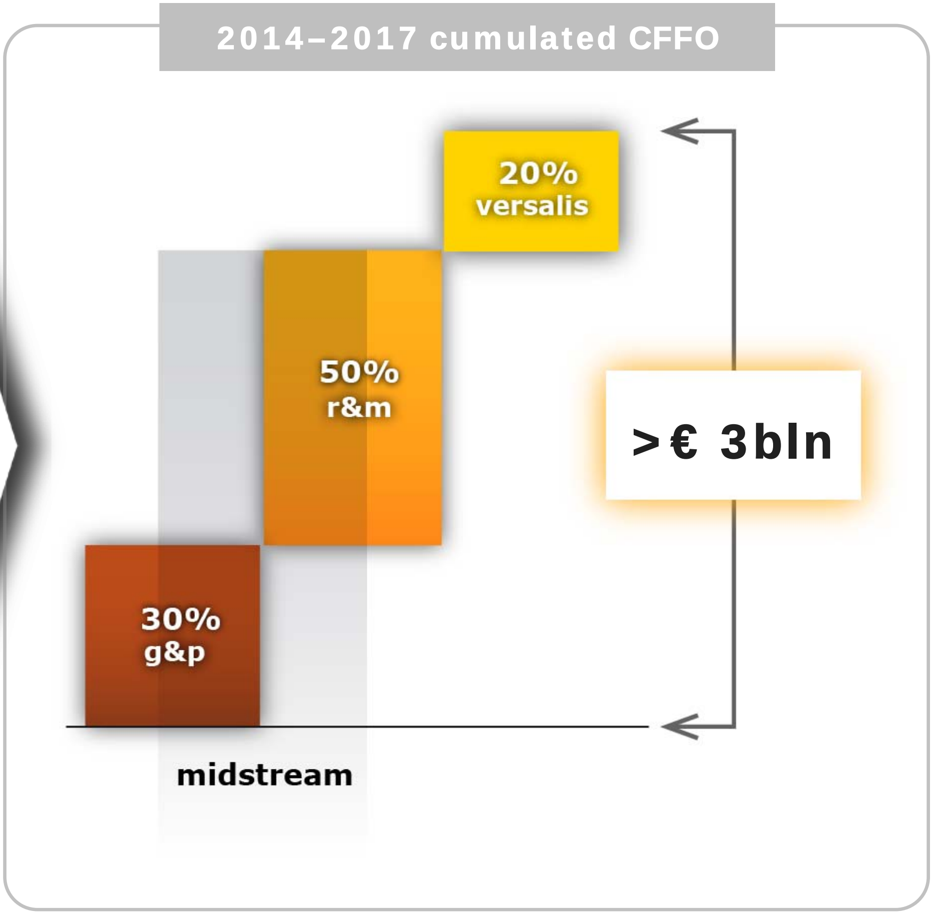
- renegotiate supply portfolio
- focus on premium segments
- streamlining logistic costs

r&m

- further cut in refining capacity
- logistic and energy cost reductions
- improve synergy with trading

Versalis

- cut base chemicals capacity by 5%
- focus on high value products and internationalization
- bio plants in Porto Torres and Porto Marghera



2014-17 main targets

+3% production CAGR

mid-downstream cash breakeven in 2015

+40% cash from operation in 2014-15; +55% 2016-17

-5% capex vs previous plan

9 bln euro of disposals

robust free cash flow growth

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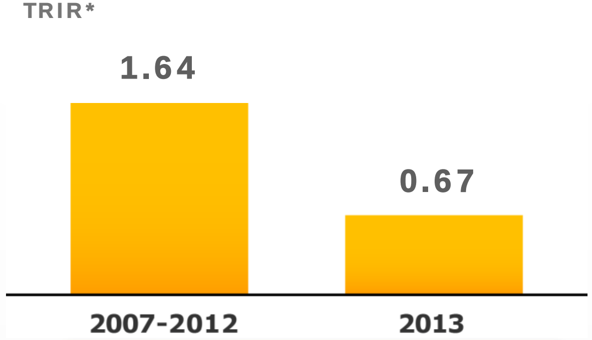
exploration & production

Claudio Descalzi

eni.com

2013 year-end results 1/2

HSE



best performance ever

exploration

- ~1.8 bln boe resources discovered
- average UEC of 1.2 $/boe

projects

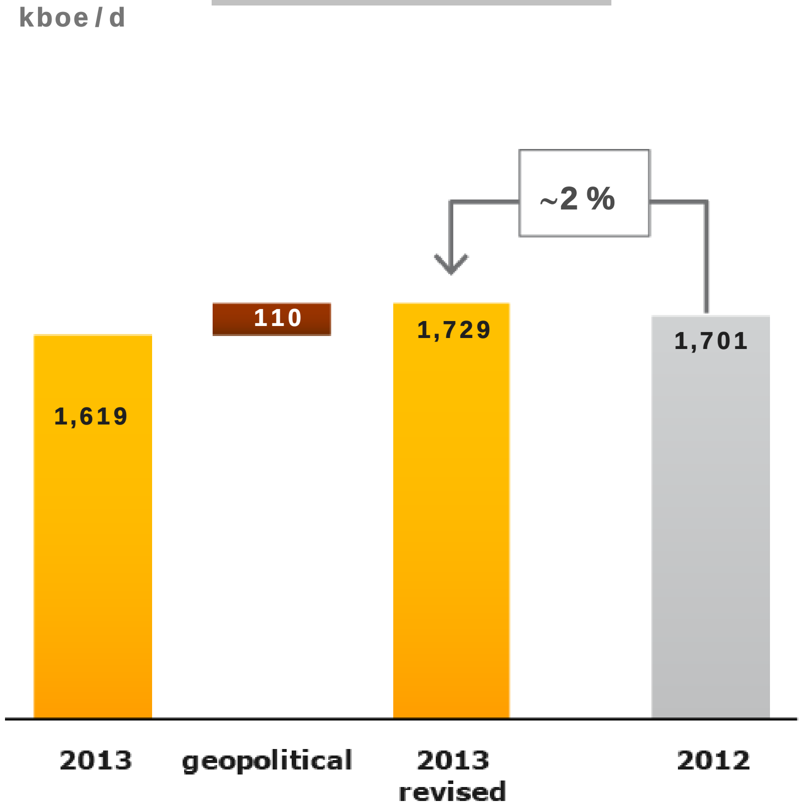
- contribution to production of about 140 kboe/d
- all 8 planned start-ups achieved
- 7 main projects sanctioned

portfolio

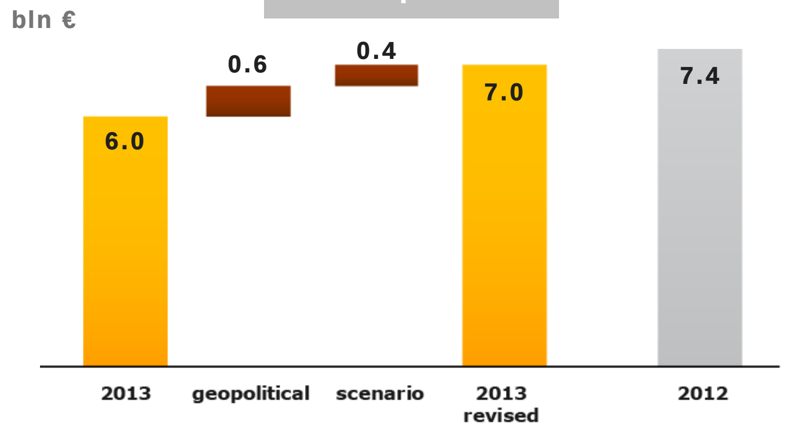
*n. of TRI/mln of worked hours

2013 year-end results 2/2

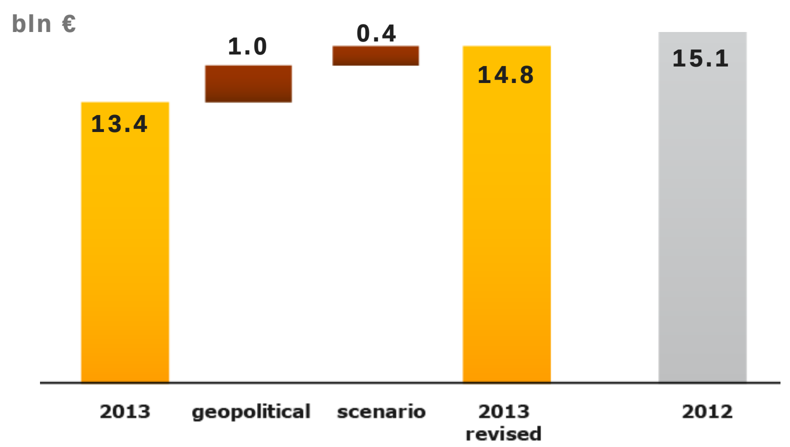
production



net profit

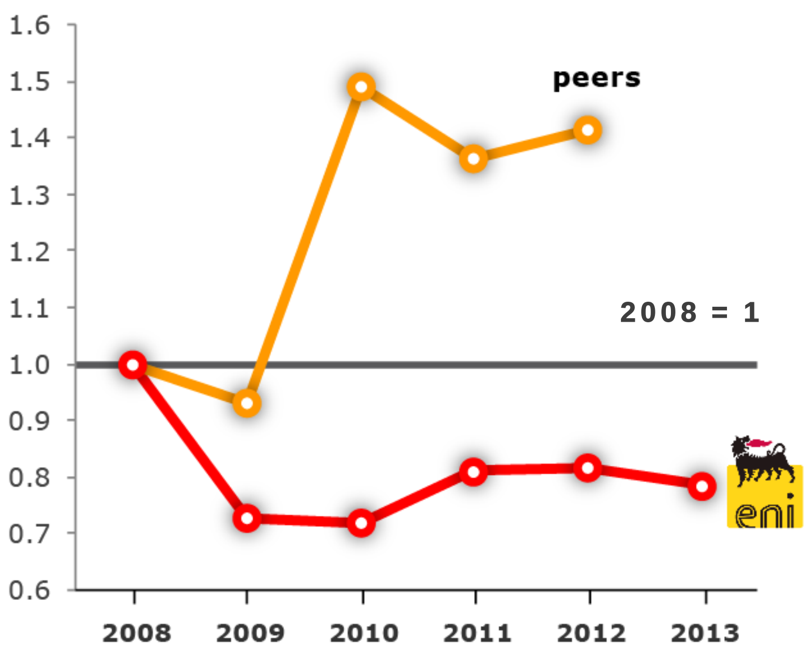


cash flow from net profit

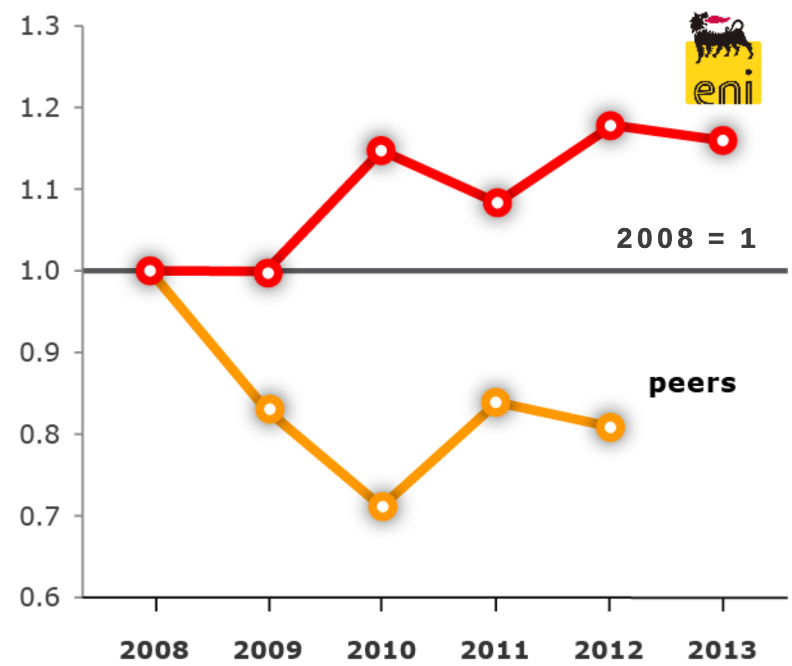


industry main challenge

variation of cost incurred*



variation of self financing ratio**



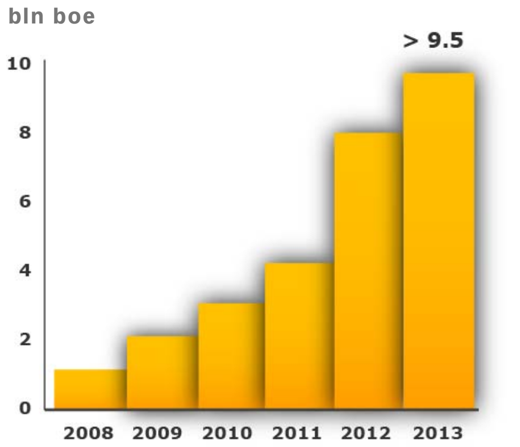
sustainable growth and value creation

peers: XOM, CVX, COP, BP, RDS, TOT

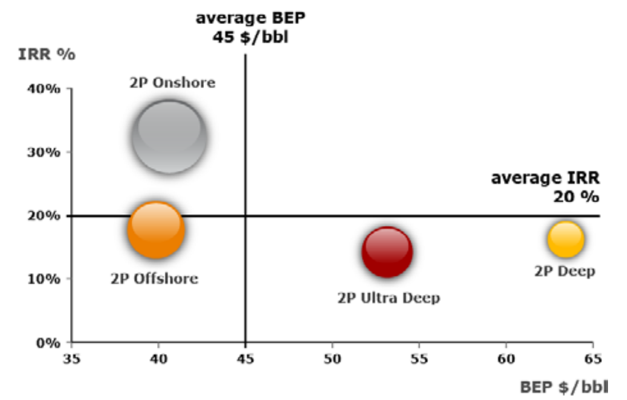
*cost incurred: exploration and development cost (including abandonment) plus acquisitions
** self financing ratio: cash flow from operation (CFFO) / cost incurred

eni's answer: a distinctive model

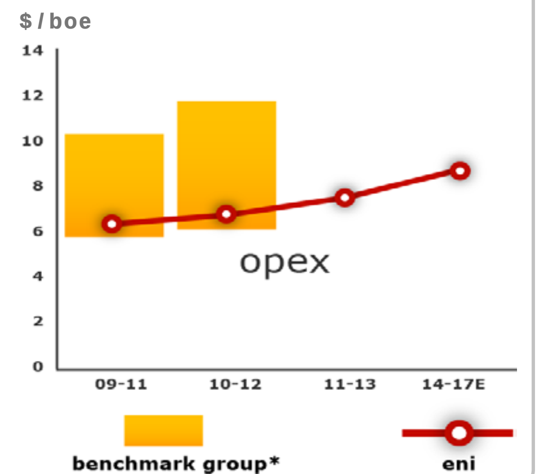
exploration driven value and growth



high-value projects



operational efficiency



conventional asset base for safe, sustainable and efficient growth

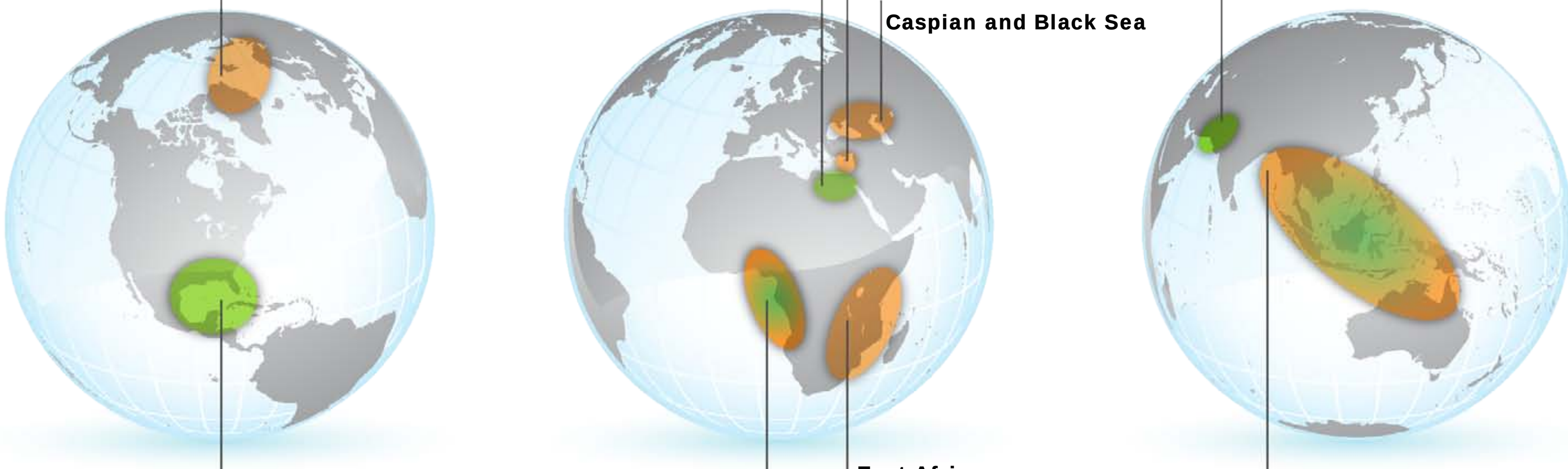
superior cash generation

* XOM, CVX, COP, BP, RDS, TOT company data

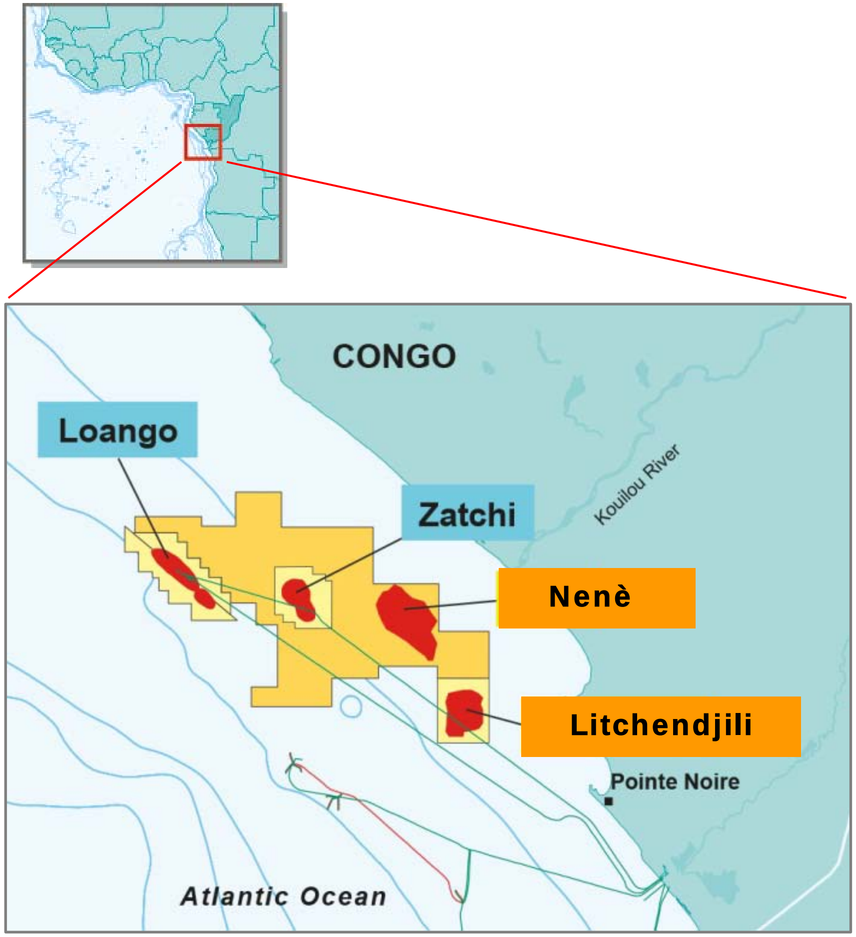
exploration continues to be the root of our value

frontier exploration in emerging basins

conventional assets in proven basins



.... our Congo discovery ....

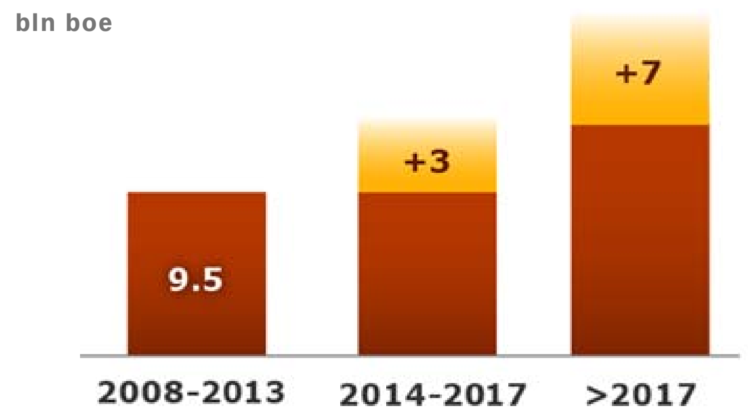


Marine XII

- discovered 2.5 bln boe of resources in place, light oil and rich gas
- fast-track development:
  - Litchendjili 2015
  - Nenè 2016

a strong base for the future

discovered and prospective resources



cash generation from exploration

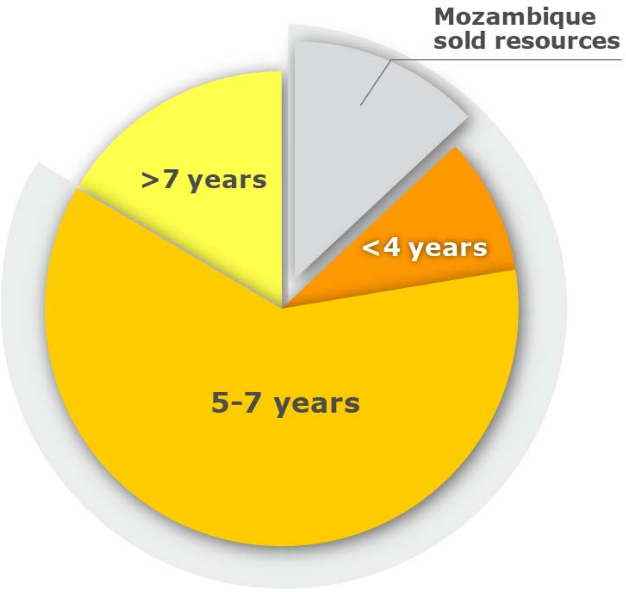
dual approach

- **efficient organic growth**
  - 4YP target of 0.8 bln boe/y on average, UEC 2,2 $/boe
  - > 200 wells in the 4Y

- **upside from early monetization**

from exploration to high value projects

Time-To-Market*



80% discovered resources with start up in <7 years

main FIDs

2014 -2015

- OCTP (Ghana)
- Argo Cluster (Italy)
- Jau (Indonesia)
- Kutei Basin IDD (Indonesia)
- Nenè (Congo)
- Block 4 phase 1 (Mozambique)
- Bahr Essalam phase 2 (Libya)
- OPL 245 (Nigeria)
- Junin 5 FF (Venezuela)
- Bonga South West (Nigeria)

2016 -2017

- Block 4 phase 2 (Mozambique)
- A/E Structure (Libya)
- Val D'Agri (Italy)
- Loango Redev. (Congo)
- Litchendjili Oil (Congo)
- Kashagan Compression (Kazakhstan)
- Karachaganak Expansion (Kazakhstan)
- Johan Castberg (Norway)

2P reserves target of about 3.5 bln boe

*2008-2013 discoveries

our diversified projects pipeline

38 main projects

	2014-2015 SU	2016-2017 SU	Beyond 2017 SU
Sub-Saharan	Angola 15/06 West Hub Congo Litchendjili gas Angola Kizomba sat. ph.2 Angola Mafumeira Sul	Angola 15/06 East Hub Nigeria OPL 245 ph.1 Ghana OCTP Congo – Nené	Mozambique Straddling / non straddling Congo Loango Redev Congo Litchendjili oil Nigeria OPL 245 ph.2 Nigeria Bonga South West Nigeria Brass LNG
Norway / Barents	Goliat Asgard & Mikkel Eldfisk ph. 1		Johan Castberg (Skrugard / Havis)
Kazakhstan			Kashagan further phases Karachaganak Expansion prj S1
Venezuela	Perla EP Junin 5 EP	Perla FF	Junin 5 FF
North Africa	Libya Wafa Compression	Libya Bahr Essalam ph.2 Algeria CAFC oil	Libya A/E structure
Far East		Indonesia Kutei Basin Indonesia Jangkrik complex Indonesia Jau	
Others	UK West Franklin ph.2 Italy Bonaccia NW GoM Hadrian South GoM Longhorn ph.3	Italy Argo cluster GoM Heidelberg	Italy Val d'Agri ph.2

500 kboe/d additional production at 2017
~70% already sanctioned
most operated and coming from our exploration

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progress on sanctioned projects

start up	project	country	op	
2014-2015	Longhorn Ph.3	USA	✓	95%
	Hadrian South	USA		85%
	West Franklin Ph.2	UK		80 %
	Lucius	USA		> 70%
	Goliat	Norway	✓	> 70%
	Asgard Mikkel	Norway		> 70%
	15/06 West Hub	Angola	✓	70% *
	Eldfisk II Ph.1	Norway		~ 65 %
	Wafa Compression	Libya	✓	> 50%
	Perla EP	Venezuela	✓	35%
	Mafumeira Sul	Angola	✓	~ 25%
	Litchendjili Gas	Congo	✓	20%
	Junin 5 EP	Venezuela	✓	20%
	Kizomba Sat. Ph.2	Angola		20%
	Bonaccia NW	Italy	✓	< 10%
2016-2017	CAFC Oil	Algeria	✓	< 10%
	Jangkrik Complex	Indonesia	✓	< 10%
	Perla FF	Venezuela	✓	< 10%
	15/06 East Hub	Angola	✓	< 10%
	Heidelberg	USA		< 10%

*progress to first oil

key start-up and ramp-up

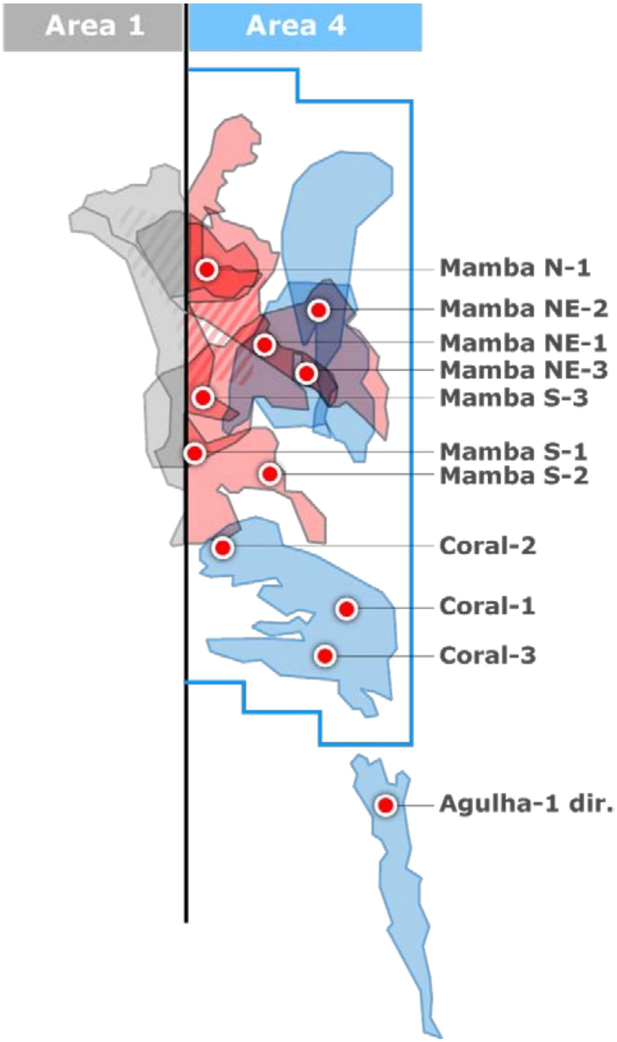
Kashagan ep

- commissioning of onshore and offshore facilities completed, with first oil in September 2013
- pipeline issue encountered during production ramp up
- intensive repairs to reinstate the pipeline being carried out
- forward commissioning of Train 2 and gas re-injection compressors

Goliat

- overall progress 71%
- drilling on going
- FPSO sail away foreseen within 2Q 2014
- first oil target 4Q 2014

Mozambique



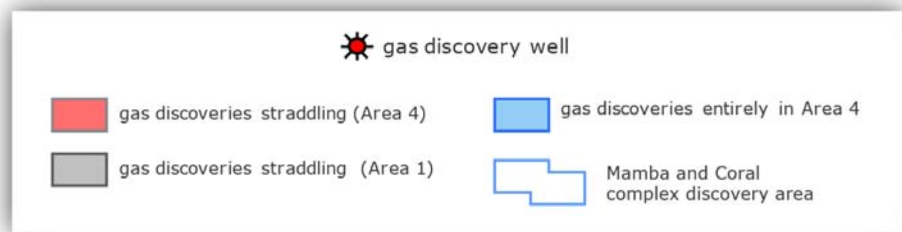
Mozambique

- **exploration programme**
  - 11 wells drilled so far
  - >85 Tcf GIIP discovered
  - 2014 drilling program: 1 appraisal + 1 exploration wells
- **development programme**

  Area 4 straddling resources
  - 15 MTPA with 1 (+1) LNG on-shore train and 2 FLNG

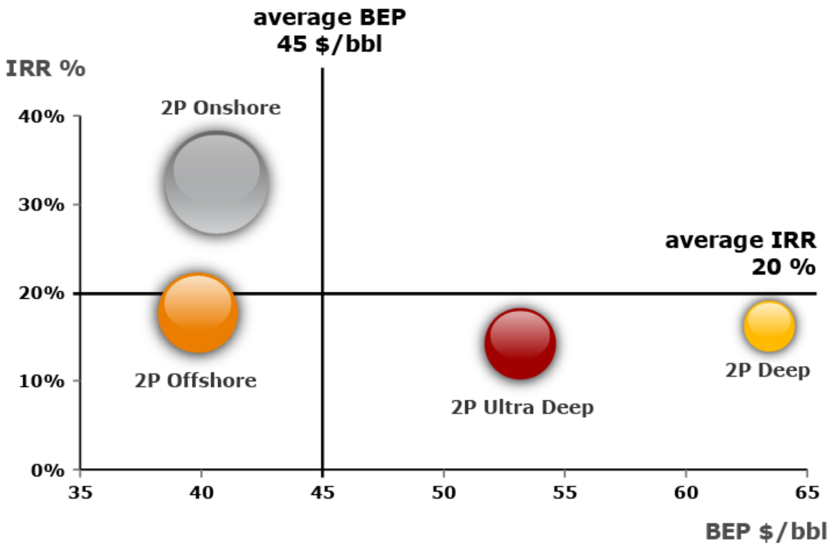
  Non straddling resources
  - 1 FLNG for development of Coral discovery

  FID target 4Q 2014

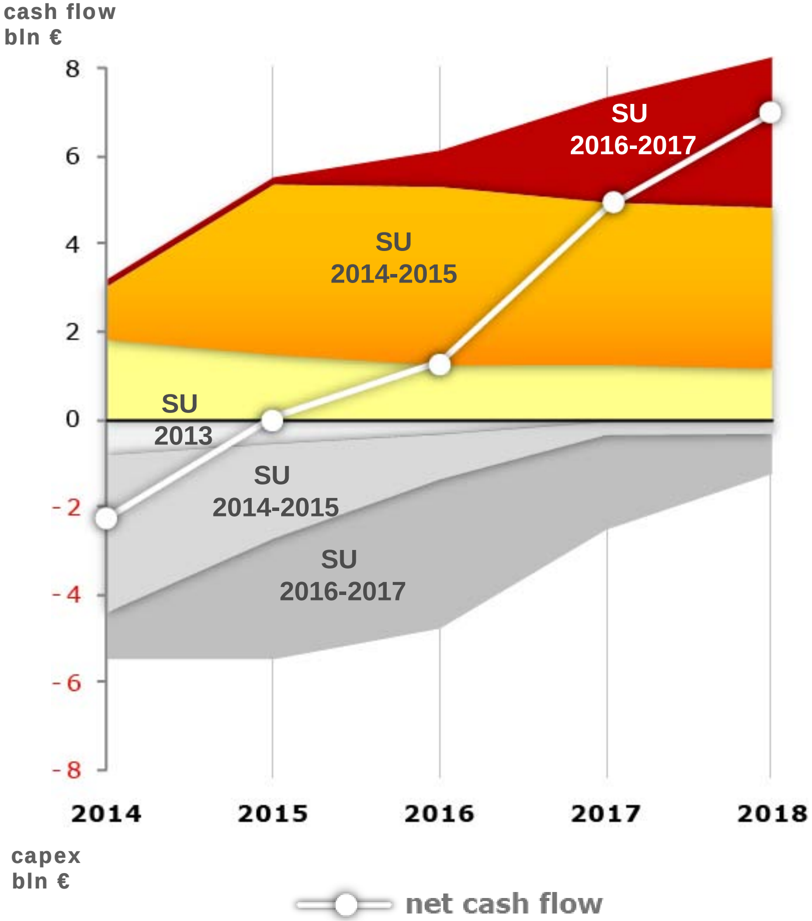


robust return and cash generation

robust returns of our portfolio



2013-2017 start-ups (SU)



operational efficiency

production and maintenance

downtime: 6%

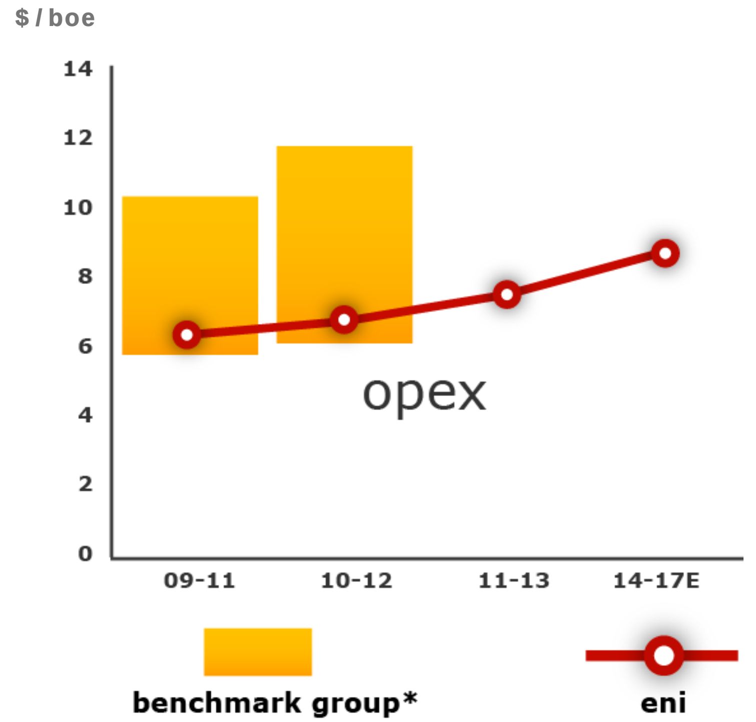
drilling activities

NPT <12% with ~250 mln $ saving per year

reservoir management

- recovery factor: oil 43% - gas 67%
- decline rate <5%
- ~ 70 kboe/d per year with IRR >50%

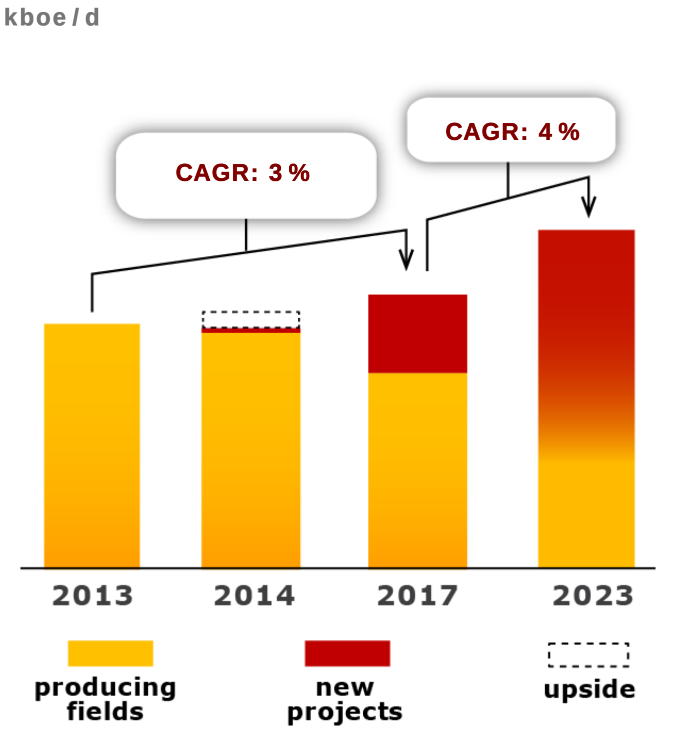
industry leading operating costs



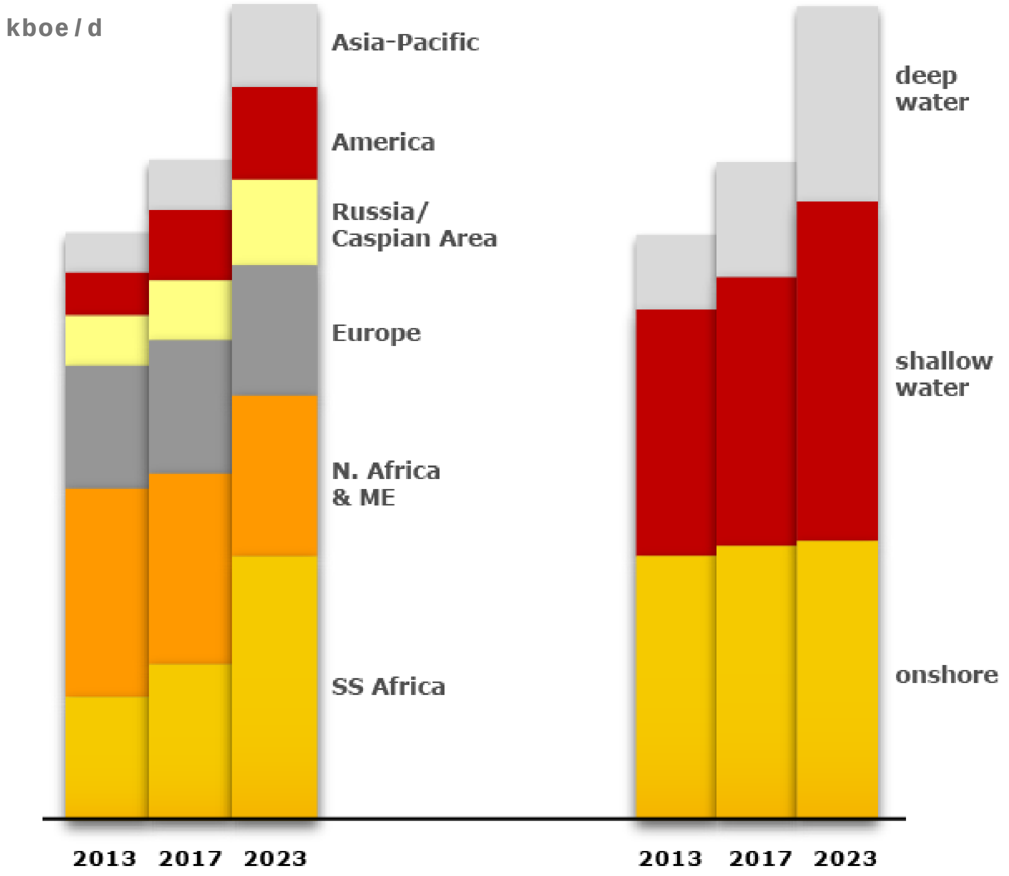
* XOM, CVX, COP, BP, RDS, TOT Company data

sustainable growth target…

production growth

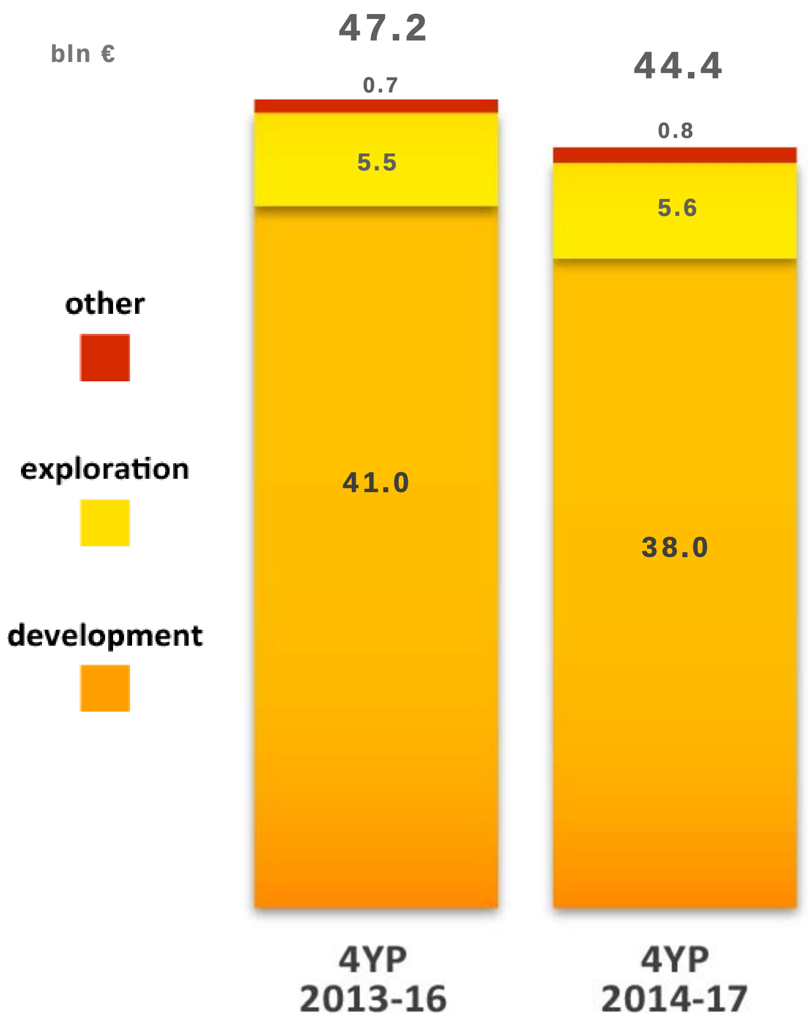


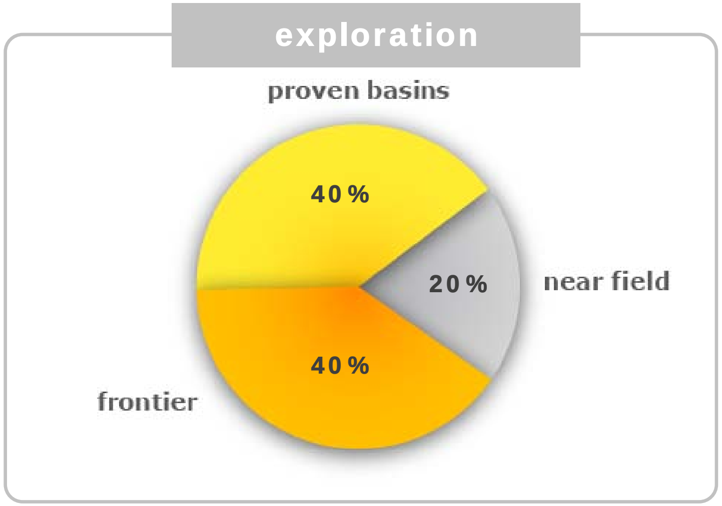
production diversification

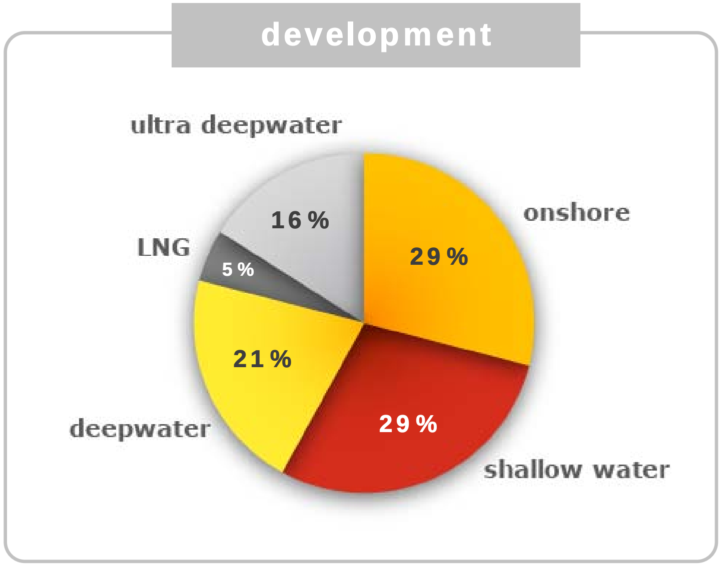


Brent scenario ($/bbl): 104 (2014); 98 (2015); 94 (2016); 90 (2017) + 2%/year thereafter

...and strict capital discipline...







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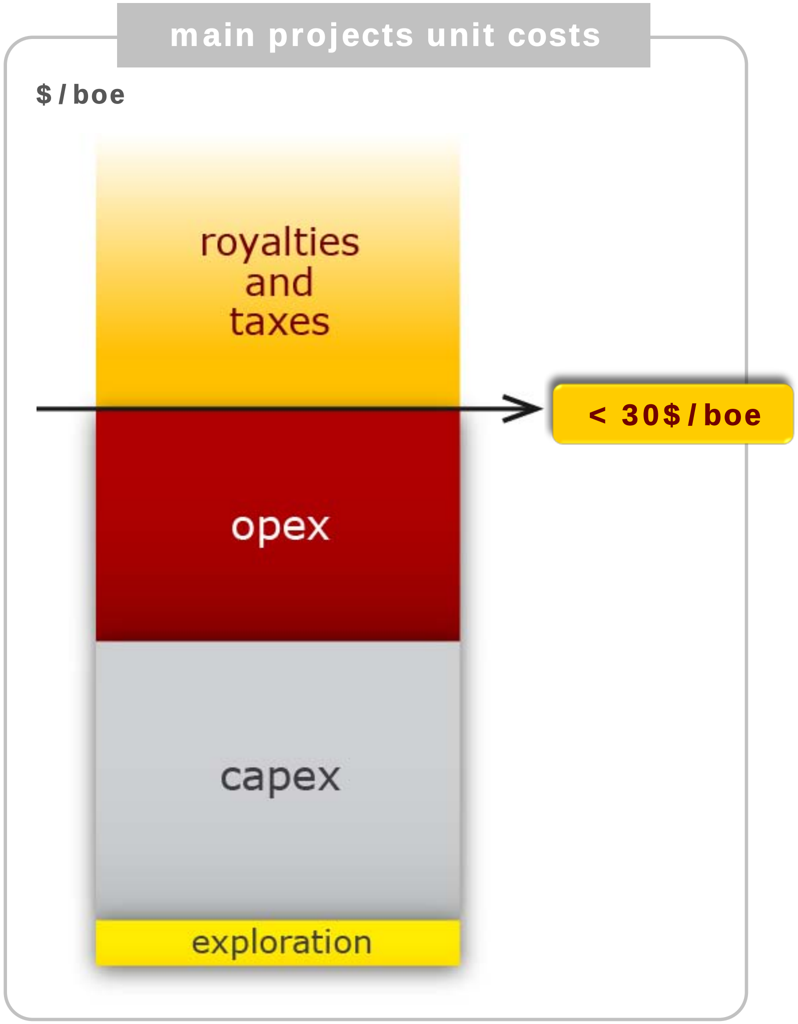
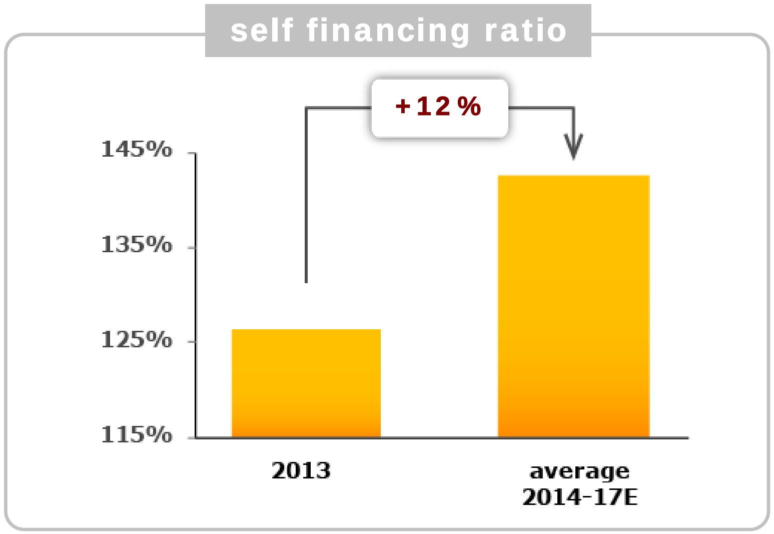
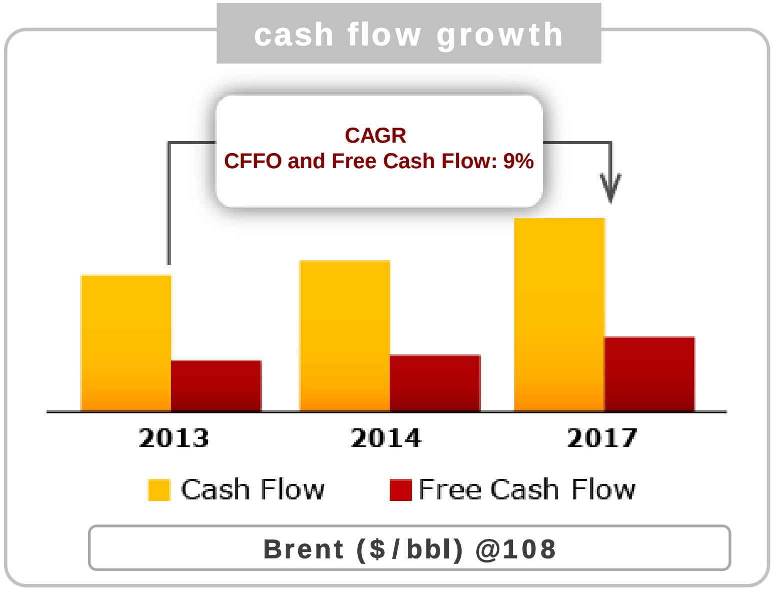
...for a superior cash growth







midstream (g&p and refining)

Marco Alverà

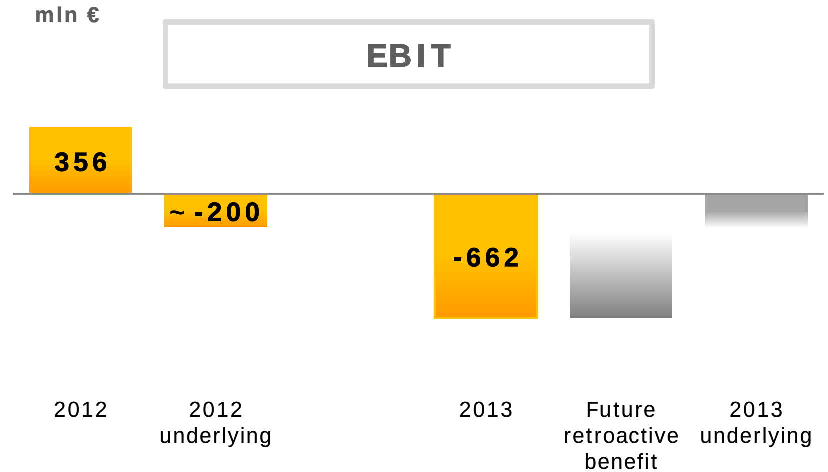
eni.com

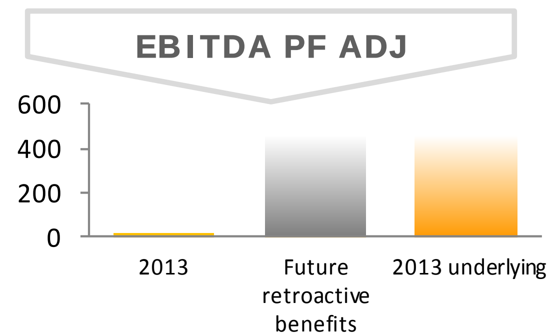
2013 gas & power results

actions

- reached agreement on 85% of third party supply contracts
- started arbitration with Statoil
- avoided Take or Pay
- continuing development of optimization and trading activities
- progress on marketing Mozambique LNG

2013 vs 2012 results



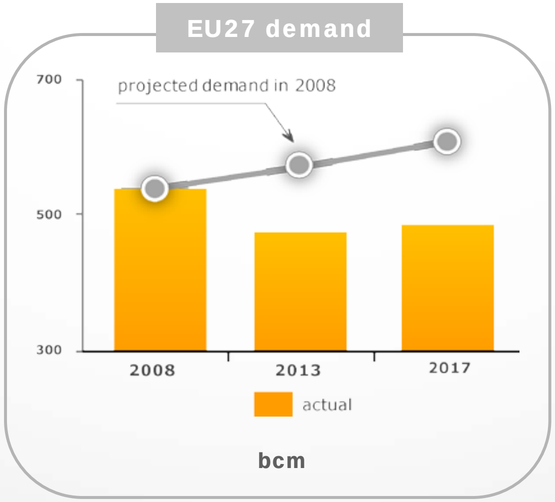


2013 results in line with guidance

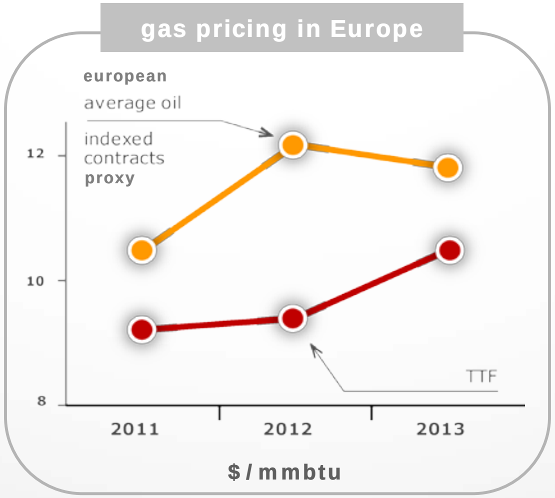
transformed natural gas and power market in Europe

significant lower volumes

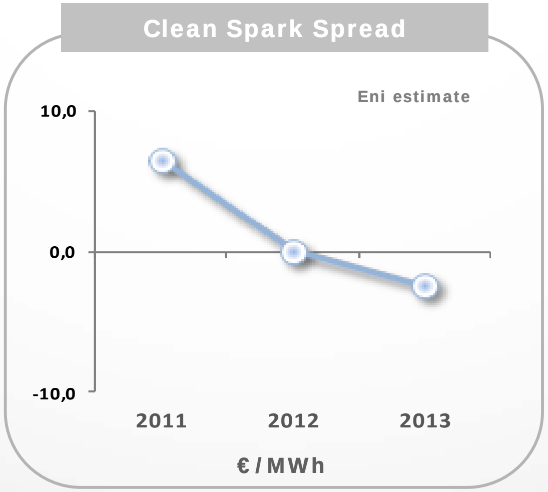
- Italy (-18% 2013 vs 2008)
- Europe (-11% 2013 vs 2008)



oil indexed contracts still “out of the money”



deterioration of clean spark spread in Italy



historical margins on B2B sales squeezed
new plan built on current volumes and sales margin outlook

pillars of turnaround

2014-2017 plan

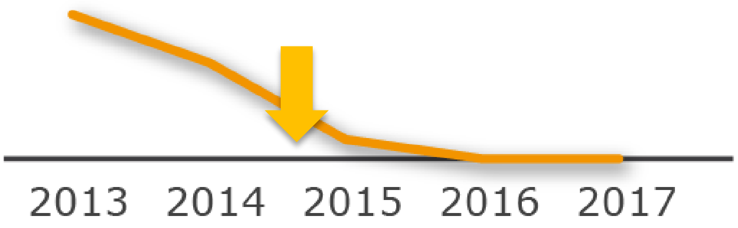
- new round of renegotiations of gas supply contracts
- growth in high value market segments
- streamlining operation costs and logistics

returning gas & power to profitability by 2015

contract renegotiations will align supply prices to market

Δ supply costs vs mkt price

renegotiation phase



- entire supply contract portfolio under new renegotiations

new wave of renegotiations in 2014-2015

- contract reference period is backward looking and compensation is retroactive
- *"supply contracts shall enable the buyer to market economically the gas delivered"*

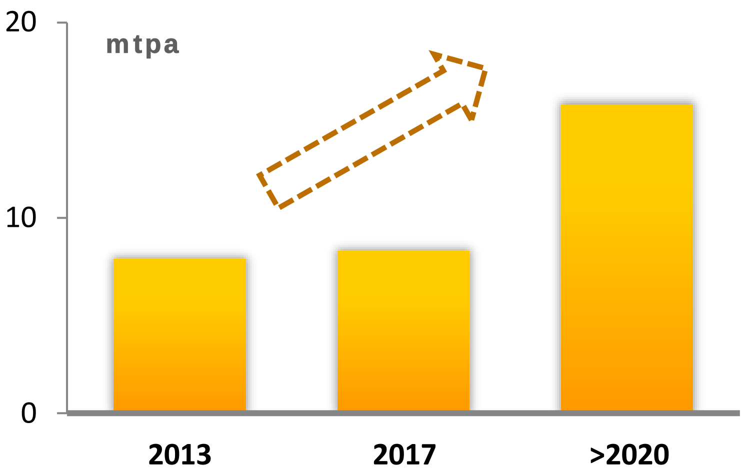
2012-2017 price revision benefits

- more than €1,4 bln per year achieved in 2012-2013
- ~€2 bln per year average benefit expected 2014-2016

target confirmed: 100% supply costs aligned to market by 2016

focusing on high value added segments

LNG capacity



- increasing sales in premium markets
- eni to became one of top **5** LNG players

B2B, optimization & trading

- new trading platform developed
- enhanced optimization and risk management activities
- launched new products catalogue in 2013
- integration with trading for large accounts
- maximizing value extraction from assets flexibility

retail

- focus on dual fuel offer
- increase in customer base

€ 1 bln EBITDA from high value added segments @2017

streamlining costs of operations and logistics

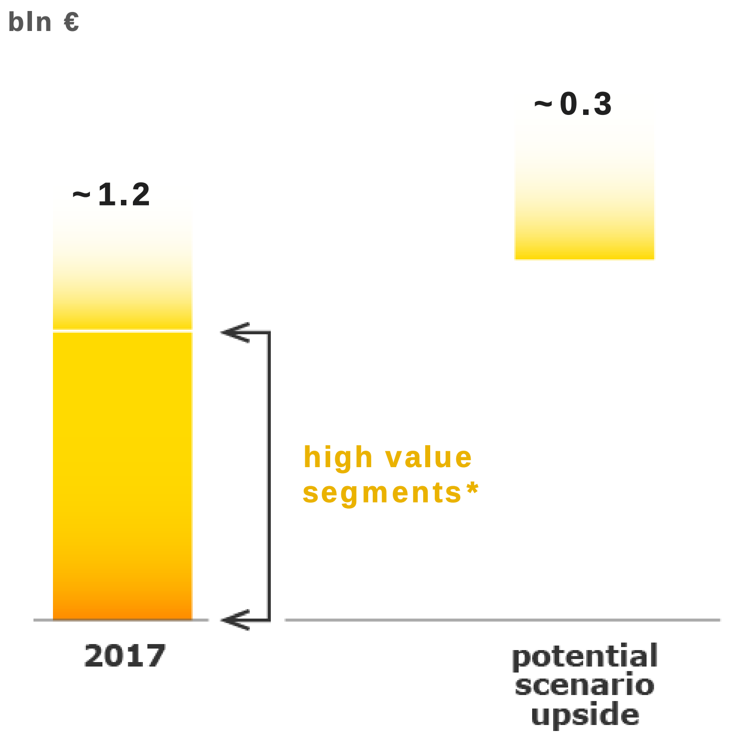
costs of operations and logistics

- integration of foreign subsidiaries into eni
- merger of multiple operating platform into 1 (billing, IT, back office)
- cost cutting program
- restructuring of logistics costs

target saving by 2017 > €300 mln

gas & power improving performance

EBITDA pf adj



* retail, trading, LNG

- deterioration in B2B margins and power in 2014
- strong renegotiation benefits in 2014/2015
- EBIT positive in 2015
- potential for further upside from European scenario recovery

midstream oil (refining, supply & trading)

italian market

-245 kbbl/d vs 2010 (-12%)

eni's actions

reduction in eni refining capacity to max diesel yield

- Sannazzaro: start-up of EST Plant in 4Q13
- Venezia: start-up of Green Diesel Plant in 2Q14
- Gela: shut down of gasoline production plants in 3Q13
- further optimizations

2017 vs 2012
further capacity optimization

optimization & trading

- optimization of crude slate
- leverage short positions in Italy to optimize supply costs and maximize trading opportunities
- growth of Portfolio Optimization and Asset Backed Trading
- optimization of logistics

applying optimization and trading approach to refining and logistics

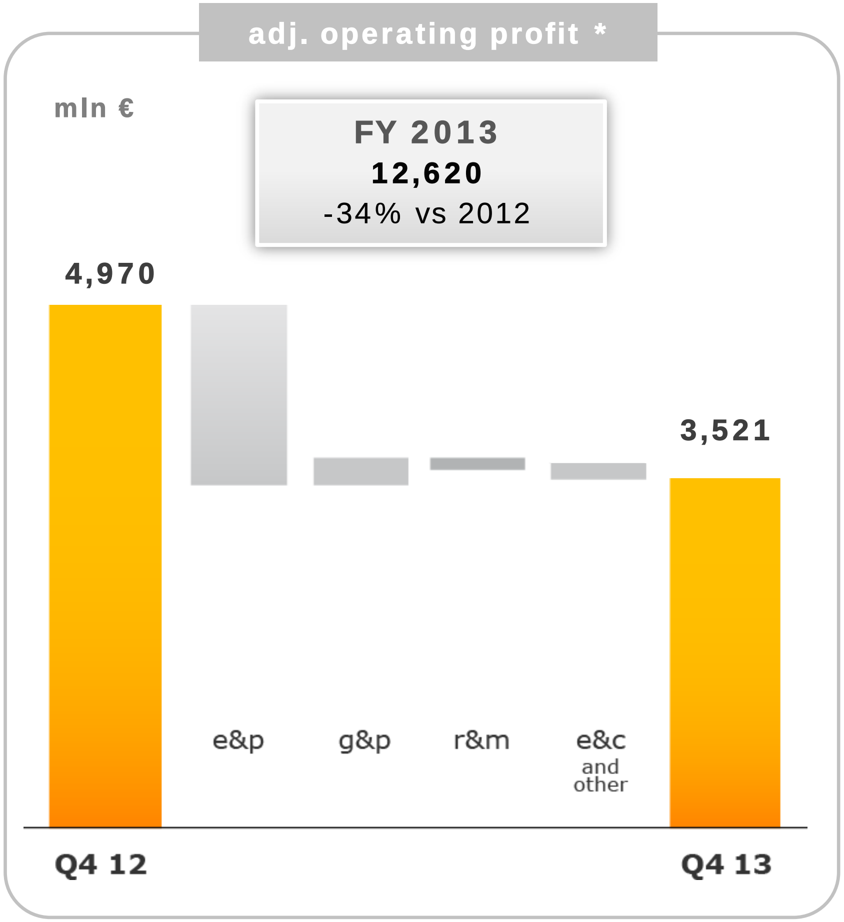
eni

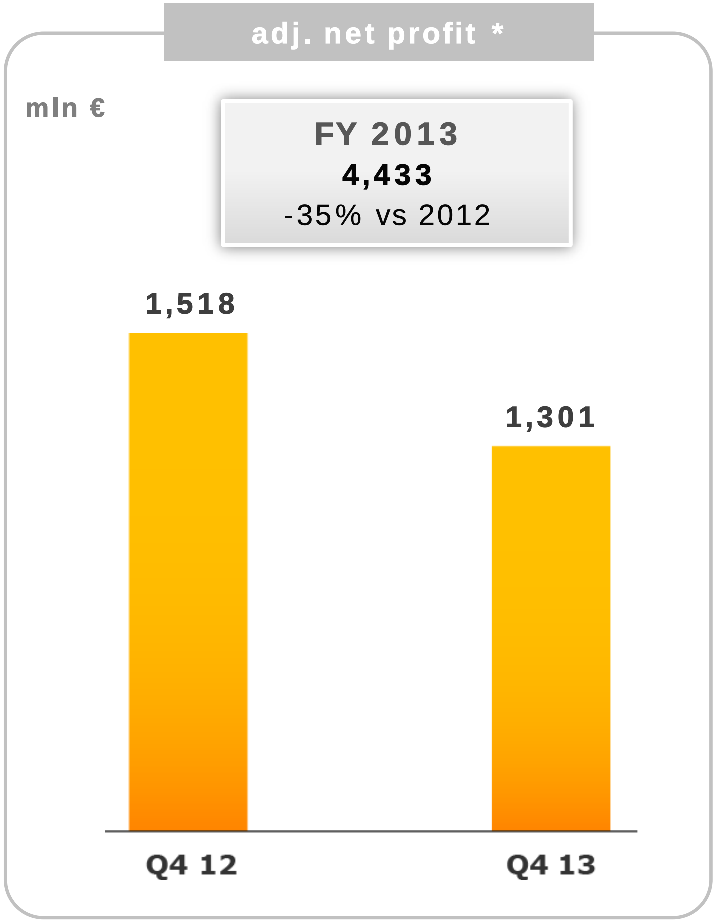
2013 results and financial strategy

Massimo Mondazzi

eni.com

Q4 and full year consolidated results

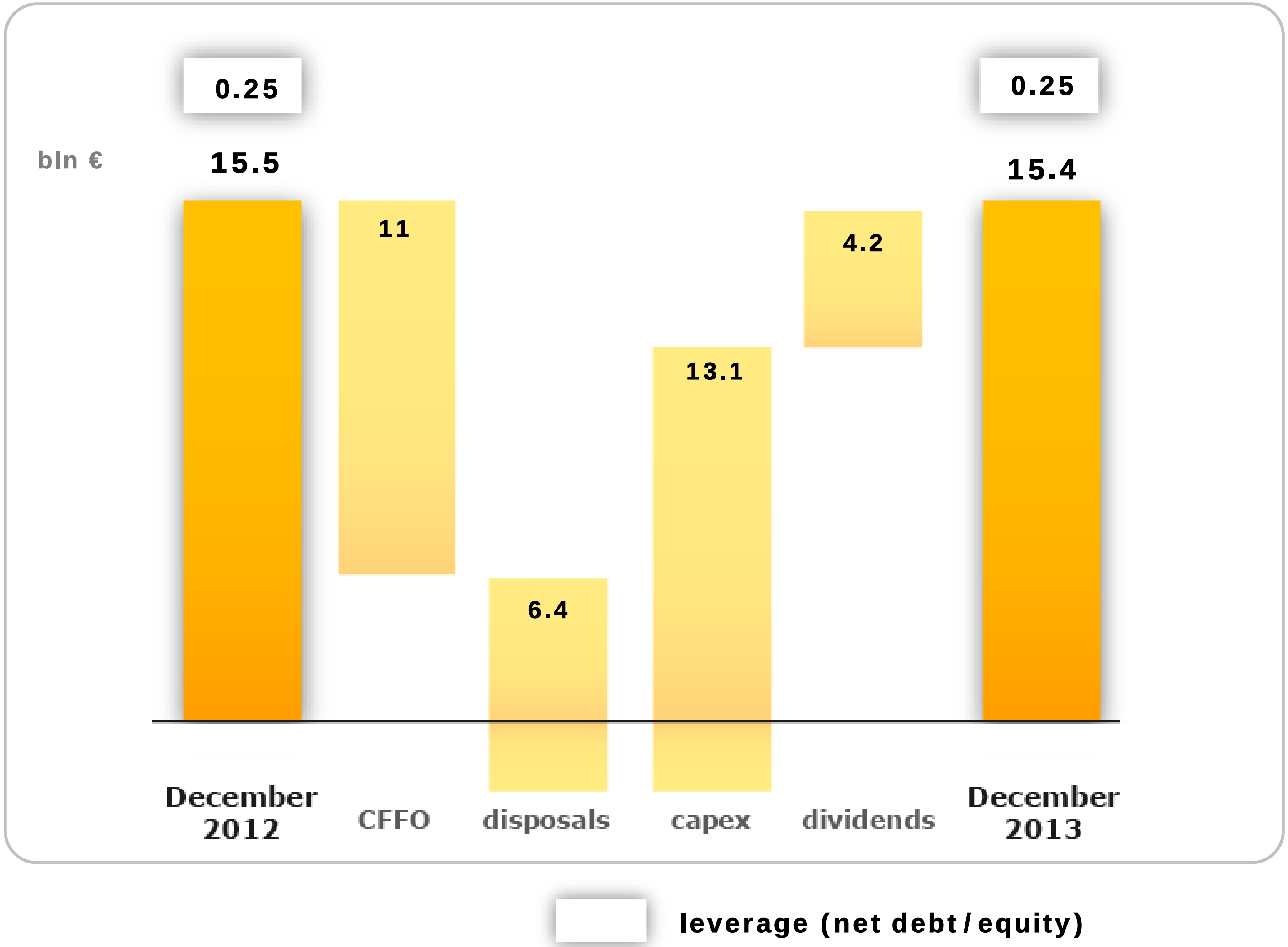




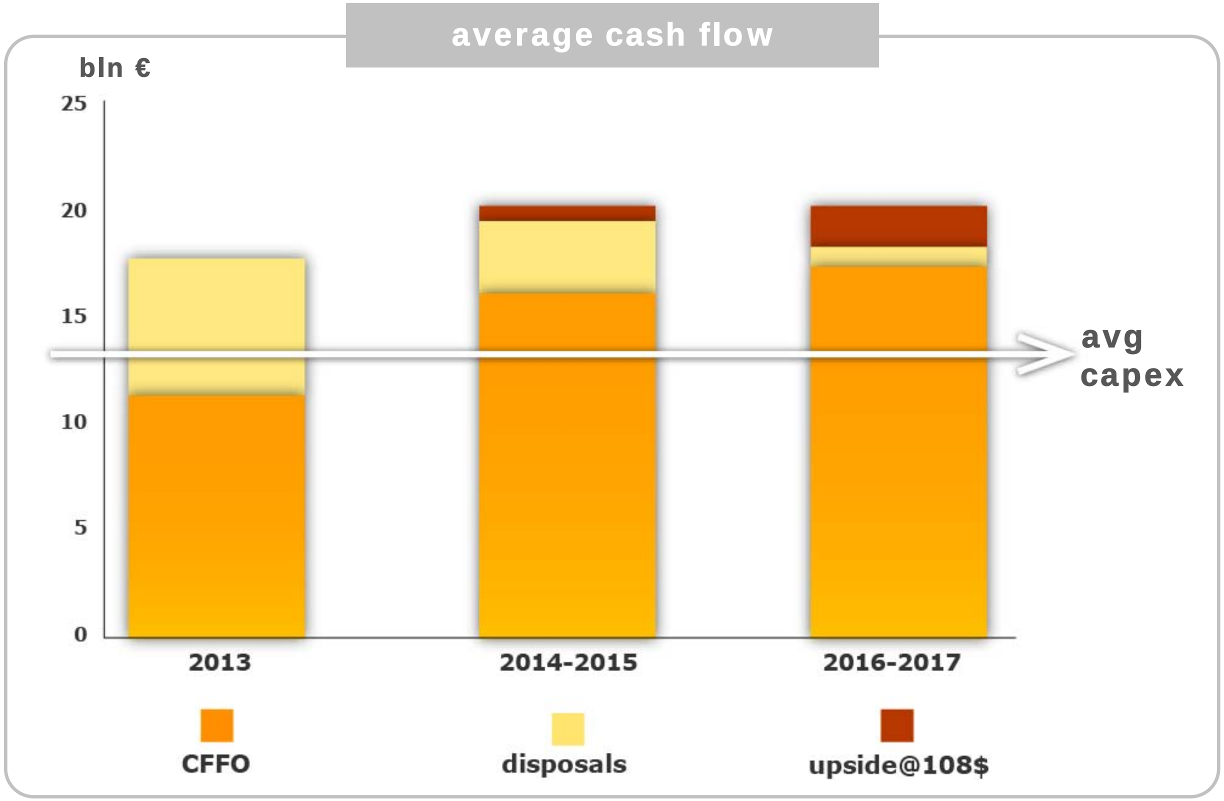
reported net profit € 5.2 bln (+24%)

* figures exclude Snam contribution

net debt stabilised



strong future cash generation growth

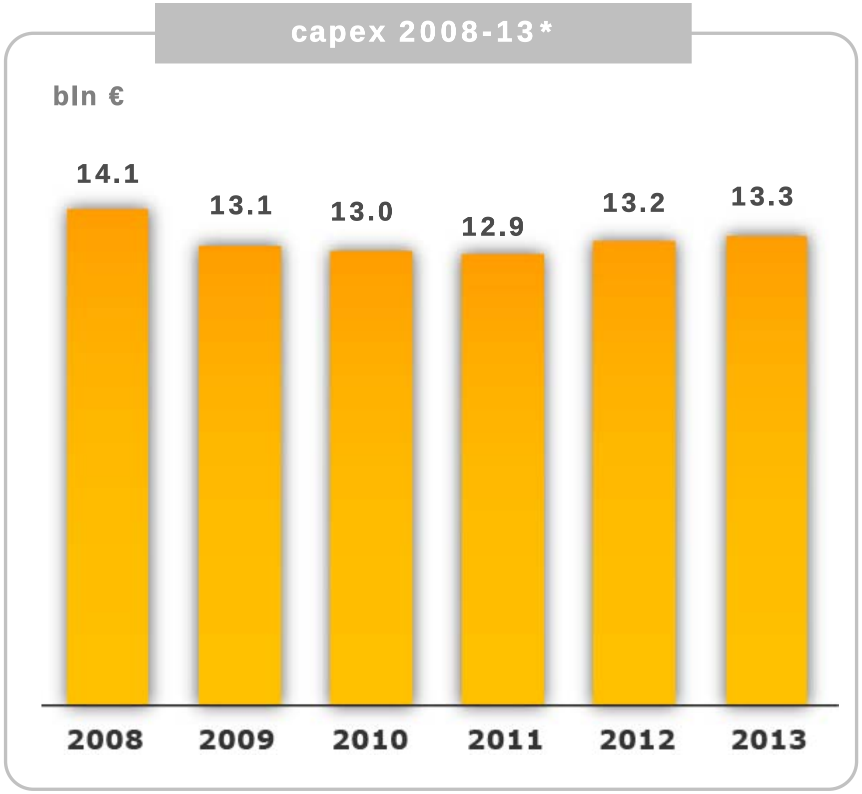


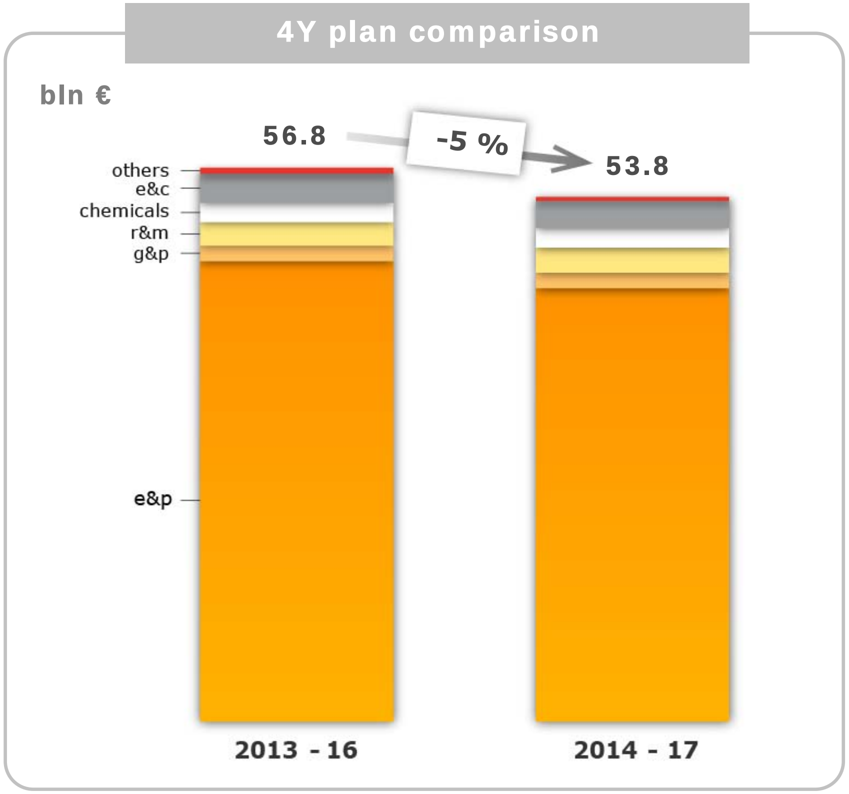
high CFFO growth

disposals

disciplined capex

growth & turnaround delivered with lower capex...

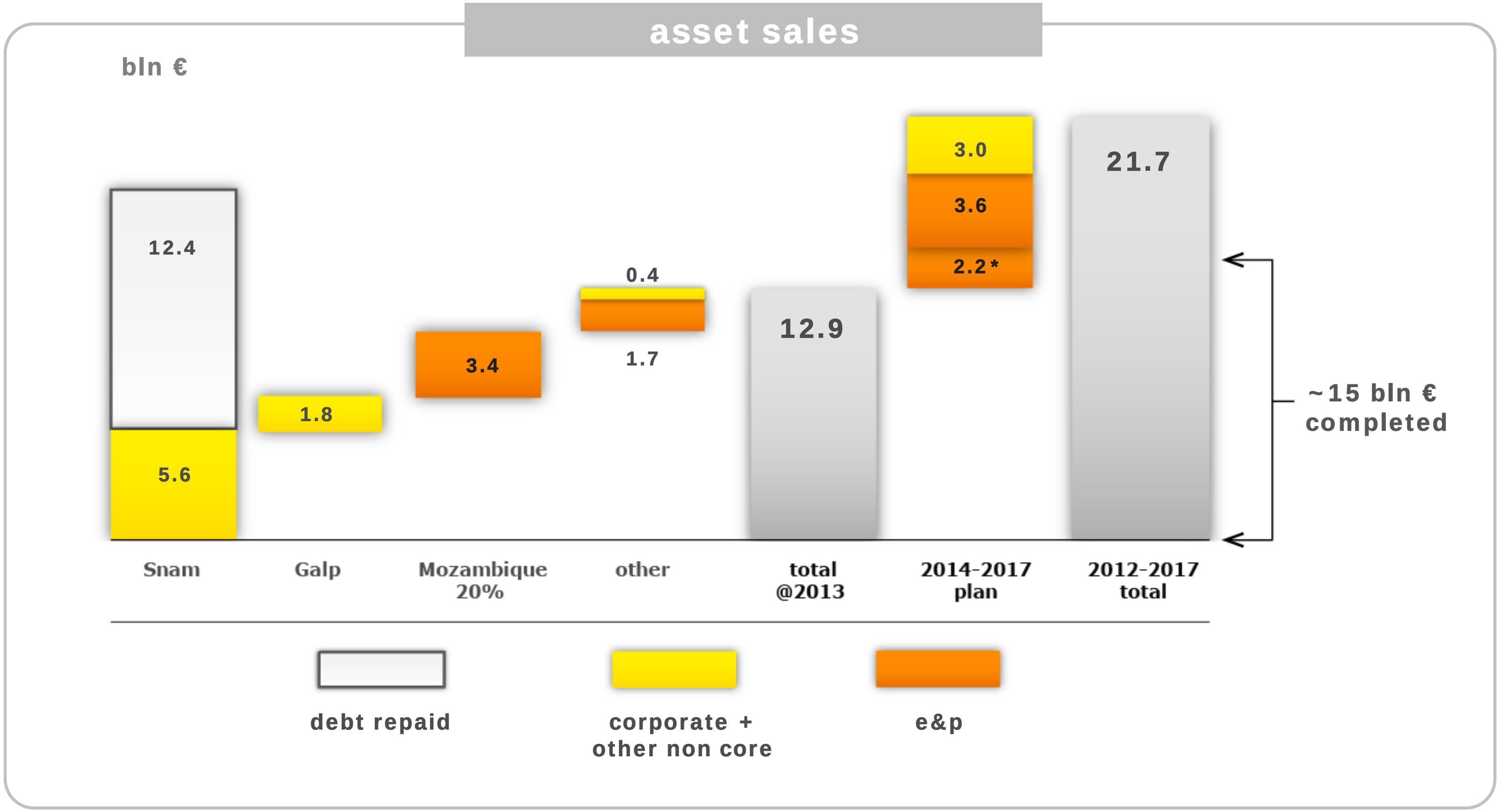




a selective plan of investments

*constant FX @1.3 $/€
excluding Snam

...while asset disposals boost cash generation...

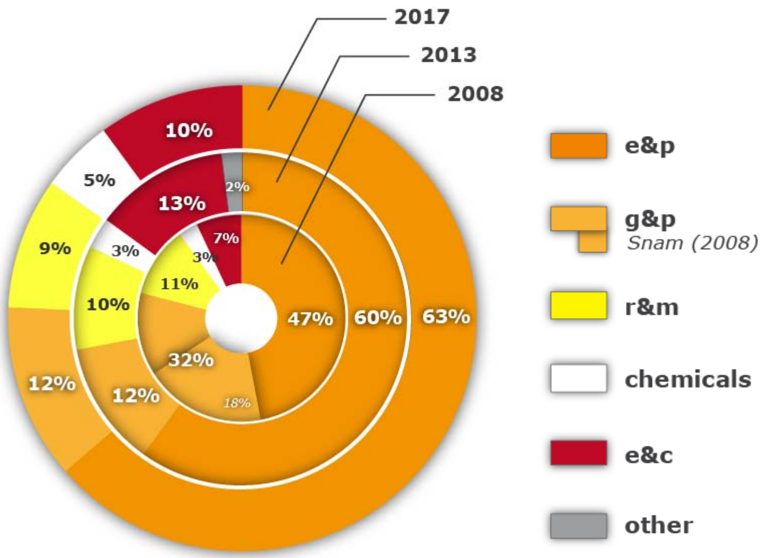


more than 34 bln euro of total cash-in since 2012

*cash-in from russian assets in Q1 2014
reported figures are pre-tax

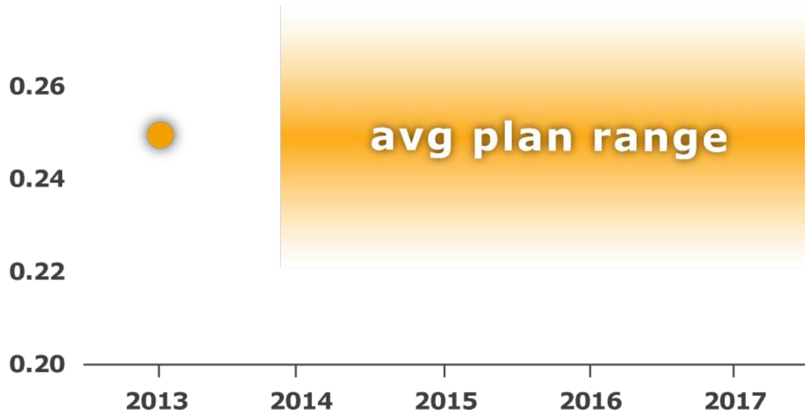
...helping to reinforce our business model

average net capital employed



2013 net capital employed
€ 77 bln

leverage



strong liquidity position

leverage = net debt / equity

closing remarks

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summary

e&p

- Libya and Nigeria problems likely to persist
- selective high-value growth
- accelerated value creation

g&p

- continuing pricing pressure
- renegotiations to align supply prices to market levels
- focus on premium segments

r&m
chemicals

- continuing depressed demand
- accelerated capacity reductions
- focus on niche, growing segments

strong growth in free cash generation

eni

shareholder distribution policy

10% of outstanding shares multi-year buyback programme

flexible tool

linked to the scenario

progressive dividend

reflects eni's underlying growth and value creation

dividend per share 1.12 euro

appendix

definitions

CFFO: net profit + DD&A +/- working capital adjustment

cost incurred: capex+ acquisitions

FCF: CFFO + disposal – cost incurred

leverage: net debt/equity

self financing ratio: CFFO/cost incurred

UEC: unit exp cost per boe (exploration cost/discovered resources)

assumptions and sensitivity

4YP Scenario	2014	2015	2016	2017
Brent dated ($/bl)	104	98	94	90
FX avg (€/$)	1,3	1,3	1,3	1,3
TRCH margin Brent/Ural ($/bbl)	3.7	3.9	4.2	4.3
Henry Hub ($/mmbtu)	3.7	4.1	4.4	4.4
NBP ($/mmbtu)	10.5	10.0	9.7	9.2

4YP sensitivity*	Ebit adj (bln €)	Net adj(bln €)	FCF(bln €)
Brent: -1$/bbl	-0,3	-0,1	-0,1

*average sensitivity in the 4YP. Sensitivity is applicable for limited variations of prices

main start-ups

2014-2015

project	country	OP	~ peak equity production (year)
Hadrian South	USA		15 (2017)
West Franklin Ph.2	UK		10 (2016)
Goliat	Norway	★	55 (2015)
Asgard Mikkel	Norway		15 (2018)
15 / 06 West Hub	Angola	★	25 (2017)
Eldfisk II Ph.1	Norway		10 (2017)
Wafa Compression	Libya	★	65 (2017)
Perla EP	Venezuela	★	20 (2017)
Mafumeira Sul	Angola		10 (2018)
Litchendjili Gas	Congo	★	15 (2016)
Junin 5 EP	Venezuela	★	30 (2017)
Kizomba Sat. Ph.2	Angola		10 (2017)
Bonaccia NW	Italy	★	5 (2017)

Americas
Europa
Africa

main start-ups

2016-2017

project	country	OP	~ peak equity production (year)
CAFC (oil + gas)	Algeria	★	20 (2021)
Jangkrik Complex	Indonesia	★	40 (2018)
Perla FF	Venezuela	★	70 (2020)*
15/06 East Hub**	Angola	★	15 (2018)
Heidelberg	USA		10 (2017)
Bahr Essalam ph.2	Libya	★	35 (2017)
OCTP (oil)	Ghana	★	20 (2018)
OPL 245 ph.1	Nigeria	★	25 (2018)
Nenè	Congo	★	25 (2023)
Kutei Basin	Indonesia		40 (2019)
Jau	Indonesia	★	20 (2017)
Argo cluster	Italy	★	15 (2018)

Asia

Americas

Europa

Africa

* included Perla EP

** ph.1, only light oil